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# FINANCIAL TIMES

No. 27,414 Saturday November 19 1977

هكنا من الأصيل

**HINE**  
connoisseurs' cognac

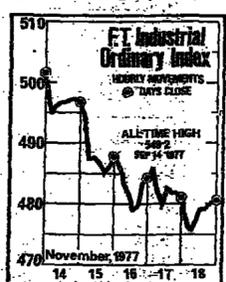


## NEWS SUMMARY

**GENERAL**  
Equities close above day's low

**BUSINESS**  
Equities close above day's low

Increases of less than 10 cent. in the spring were...  
...by Mr. Peter Shore, prominent Secretary, when announced the Government's support grant for 1978-79...  
...aims to bring stability to authority finances in con- with the sharp cuts of the two years.  
...promised that London rates—who pay on average £84 more than elsewhere—id face the same increase in s as those outside the capital. industrial rates, which tend to higher than domestic, are y to rise by slightly less domestic rates. Back Page



**Party faces bill threat**  
resignation of Mr. Philp...  
...Australian Federal...  
...threatens to damage...  
...Liberal-Chancellor coal- at the general election in... weeks' time. Mr. Lynch...  
...accusations of acting impo- ly over land deals. Back Page

**igrants 'down'**  
migration into Britain will...  
...in ever-dwindling num- s, the "think-tank" told...  
...committee of MPs in-...  
...tating race relations.

**easies plea**  
men were asked to make...  
...they were vaccinated...  
...man measles. It was im-...  
...to stop babies being...  
...dead or crippled, said...  
...Minister for the...  
...subject.

**ned up**  
Greater London Council...  
...to go ahead for a plan...  
...to turn the former...  
...Newmarket into a new...  
...for London Transport's...  
...section of road and rail...  
...relics.

**oyal broadcast**  
Queen will make her...  
...Day broadcast on BBC1...  
...at 7.30 p.m. and on BBC2...  
...ly evening. It will be...  
...on BBC Radios 1, 2...  
...at 9.30 a.m. and repeated...  
...Radios 3 and 4 at 1 p.m.

**atient's police**  
South African security...  
...of told the inquest on...  
...black leader, that his...  
...selected for their...  
...and even temper. New...  
...Page 12

**awford will**  
o of the late Joan Crawford...  
...pted children said in a...  
...court that the film...  
...and sound mind and...  
...memory in drafting...  
...her will. They are...  
...testing an estimated \$2m...  
...ste left to charity.

**dd spots**  
Real Mallorca soccer...  
...team are strike and...  
...have locked them-...  
...res in their dressing...  
...room in ma de Mallorca...  
...claiming that...  
...members have not...  
...paid since...  
...Member.

**Siberian permafrost**  
acted as a...  
...lural deep-freeze and...  
...proved perfectly...  
...month 44,000 years...  
...until it...  
...discovered by...  
...Russian...  
...entists.

**STERLING** rose 55 points to 81,8250 and its...  
...index rose to 63.8 from 62.7.  
...The dollar lost ground...  
...against most currencies...  
...its depreciation...  
...widened to 2.25 per cent...  
...from 2.07 per cent. The...  
...yen continued strong...  
...despite inter-...  
...ventions by central...  
...banks. Back Page

**CHITS** fell 1 in the...  
...and by as much as 1 in...  
...the shorts. The Govern-...  
...ment Securities in-...  
...dex fell 0.39 to 76.59...  
...for a fall of 0.88 on...  
...the week.

**GOLD** rose \$12 to \$167.  
**WALL STREET** closed...  
...at 85.78.

**Shah hopeful of oil freeze**  
THE SHAH expects that...  
...with the support of Saudi...  
...Arabia he will persuade...  
...his OPEC partners to...  
...accept an oil price freeze...  
...for the whole of next...  
...year. He said that a...  
...freeze would help speed...  
...up Western economic...  
...recovery, which was in...  
...the interest of oil...  
...exporting nations. Page 12

**NATIONAL Enterprise Board**  
and three institutional...  
...investors are considering...  
...a cash take-over of...  
...a firm worth nearly £3m...  
...for Allied Lewis (Group)...  
...the nursing homes...  
...and medical supplies...  
...concern which has...  
...growing overseas...  
...business. Back Page

**PHILLIPS** Petroleum's...  
...oil terminal in Texas...  
...has risen another...  
...£33m, to cost £370m...  
...and could rise again...  
...The terminal is expected...  
...to be completed in...  
...September next year...  
...two years later than...  
...scheduled. Page 13

**SWAN HUNTER** middle...  
...managers in the Tyne...  
...shipbuilding yards...  
...have won a 20 per...  
...cent pay rise without...  
...breaking the pay...  
...policy. Page 15

**PURCHASING** power...  
...of the pound in 1986...  
...was equivalent to...  
...£5.34 at present...  
...values, according to...  
...figures in a Comon-...  
...wealth written by...  
...Mr. Denis Davies, Treasury...  
...Minister. Page 16

## Sadat is isolated as Saudis attack his trip to Israel

BY JAMES BUXTON

President Sadat of Egypt starts his historic visit to Israel to-day dangerously isolated from all other main Arab States after the decision of Saudi Arabia, long his most important supporter, to criticise his initiative.

A statement from Riyadh last night effectively attacked the Egyptian leader for not co-ordinating his actions with other Arab states and ignoring the need for Arab unity on the crucial question of Middle East peace.

And in a vivid indication of the intense anger which Mr. Sadat has caused in the Arab world, a gun battle broke out at the Egyptian embassy in Athens last night as 30 Palestinians stormed it. The group occupied the embassy and it was feared that three of the embassy staff had been held hostage.

Twelve people were believed to be wounded and 17 arrested when police stormed the building. Police are looking for the rest of the group.

In Beirut, where a bomb had earlier in the day damaged an Egyptian airlines office, there were two big explosions and heavy gunfire in the area of the Egyptian embassy.

The Saudi statement said that the Kingdom was "surprised" by Mr. Sadat's determination to visit Israel. "Saudi Arabia believes any Arab initiative in regard to securing Arab aims in the Middle East must stem from a united Arab stand," Mr. Sadat had placed the Arab world in a "delicate position," it said.

Saudi Arabia in the past has made heavy financial and political commitments to President Sadat's regime in Egypt. Even if Egypt were to achieve an agreement with Israel which led to peace it would be almost valueless in terms of economic recovery without the assistance of Saudi Arabia.

The Saudi statement seriously undermines the value of Mr. Sadat's visit, as well as being a serious blow to his political standing both at home and in the Arab world.

## Rees unable to break fire strike stalemate

BY ALAN PIKE, LABOUR CORRESPONDENT

THE NATIONAL firemen's strike changed. The strike was solid and nothing short of more money would persuade his members to return to work.

Mr. Brian Rusbridge, secretary of the employers' side, told the firemen last night that they were "not a forgotten army and urged them to return to work to allow discussions on their future pay structure to continue.

Representatives of both the Fire Brigades Union and the employers' side of the national joint council which negotiates Fire Brigade pay went to the Home Office yesterday and reported that discussions on a future pay formula for firemen, although making good progress, would not be sufficient to end the strike.

The union says it cannot recall its conference and recommend a return to work unless there is an improved cash offer available for immediate payment.

After seeing Mr. Rees, Mr. Terry Parry, the union's general secretary, said that nothing had

## Sir Hugh Fraser to face £4m. Companies Act charges

BY MARGARET REID

SIR HUGH FRASER, the Scottish financier and stores chief and five other businessmen were charged to Glasgow Sheriff Court yesterday with offences under the Companies Act involving more than £4m.

Sir Hugh is deputy chairman, and was until March this year chairman of Scottish and Universal Investments, of which all the others charged with him were members at the time of the company's annual meeting in September, 1975. It was alleged yesterday that as directors of SUITS they failed to give a true and fair view of the affairs of their company.

Accused with Sir Hugh were Mr. James Gossmann, an executive director of Scottish and Universal Investments, Mr. Nicholas Redmayne, Mr. William Forgie, Mr. Edward Gamble and Mr. Angus Grossart.

All are charged that, on September 26, 1975, at the 27th annual meeting of Scottish and Universal Investments, they put forward a balance sheet for the year ending March 1975, which did not give a true and fair view of the affairs of the company.

It is alleged that the balance sheet contained an item showing current assets at £10,433,422, with a note appended to it. This note, it is alleged, showed that the assets consisted of £899,975 described as "debtors and prepaid charges" and £9,733,567 described as "cash at bankers and on hand."

The charge claims that, in fact, the accused knew the sum at bankers and on hand did not exceed £5,500,100. It is alleged that they knew the difference of £4,233,467 was an unsecured loan



Mr. Hassan Kamel, Egypt's Cabinet Director (left), is welcomed to Israel's Ben Gurion airport by Dr. Ellyahu Ben Elissar (centre) and Mr. Ephraim Evron.

## Jerusalem prepares to give Sadat full-scale welcome

BY L. DANIEL AND DAVID LENNON

TEL AVIV, Nov. 18.

AN AIR OF UNREALITY, almost of disbelief, pervades Israel as it makes final preparations for President Anwar Sadat's arrival to-morrow night. The crowd at Ben Gurion Airport clapped when Egyptian officials descended this morning from the first Egyptian civilian aircraft to land in Israel since the state was founded.

This enthusiastic welcome was repeated at the entrance to Jerusalem and at the King David Hotel. The Egyptian vanguard, which included Mr. Hassan Kamel, President Sadat's chief of cabinet, his chief of protocol, personal secretary, adjutant and some 50 security men returned to Cairo later in the day after settling arrangements.

All over Jerusalem, red, white and black Egyptian flags have been going up to flap alongside blue and white Israeli flags. The army band has been practising the Egyptian anthem at the airport. The evening newspaper, Masry, came out with a red banner headline in both Arabic and Hebrew to welcome President Sadat.

The Discount Bank of Israel announced that it had started dealing in Egyptian pounds, offering a rate of £20.5 to one Egyptian. One enterprising house agent advertised a 14-room mansion which he described as "suitable for Egyptian embassy."

At the same time, no chances were being taken. Security precautions will be the most extensive ever undertaken in

Israel. An estimated 10,000, including uniformed police, green border guards and regular troops will be on duty. They will be on roofs, in the streets, in the hotels, at the airport, and among the crowds.

While warmly welcoming the spectacular gesture by President Sadat, and expressing deep appreciation for his courage in breaking a 30-year-old taboo, Israeli politicians feel that enormous psychological pressure will be exerted on Israel to make a corresponding gesture by agreeing to substantial concessions.

The question is when. Officially, Jerusalem insists that the meeting between the Egyptian and Israeli leaders will be a dialogue in no way intended to take the place of formal negotiations for a peace treaty, but to smooth the way towards Geneva talks.

Divided

It is assumed that President Sadat will almost certainly invite Mr. Begin to Cairo to address the People's Assembly there. Already several cabinet ministers have said that Israel will have to formulate new ideas and proposals before then to prevent the momentum from breaking down, and the extremists in the Arab camp from regaining the upper hand.

Feelings are more divided among the Arab population, particularly in the West Bank, where pro-Palestine Liberation Organisation elements have described the visit as a betrayal of the Palestinian cause.

## Price inflation heads to single figures

By Peter Riddell, Economics Correspondent

THE ANNUAL rate of retail price inflation is clear, heading towards single figures.

The underlying rate of inflation is now just below 10 per cent for the first time since August 1975, while the 12-month rate is continuing to decline.

The Department of Employment announced yesterday that the retail price index had risen 24.1 per cent in the 12 months to mid-October, compared with an increase of 15.6 per cent the previous month.

The all-items index rose by 0.4 per cent in the last month to 186.5 (January 1974 = 100), the sixth month in succession in which the increase has been 1 per cent or less.

If this trend continues for the rest of the year the Government target of a 12 to 13 per cent rise in retail prices this year will be achieved.

The index has risen by 11 per cent in the first ten months of the year and by only 3.4 per cent in the last six months, partly as a result of sharp falls in the price of many seasonal foods.

The official expectation is that the 12-month rate should decline for at least the next six months and should be in single figures by the middle of next year at the latest.

**Sterling**

The move into single figures could occur by the spring, judging by the underlying trend, as shown by the index of all-items except seasonal food measured over six months and expressed at an annual rate.

This now stands at 9.9 per cent, compared with 14.6 per cent in September and 20 per cent in May.

The sharp deceleration in the underlying index reflects the combined impact of the strength of sterling, falling commodity prices and the low rate of increase in labour costs during the past year.

A further decline in the annual rate until at least the spring is likely to occur almost certainly in May.

Continued on Back Page

Little sign of recovery, Page 13  
Editorial comment, Page 14

**£ in New York**

	November 18	Previous
Spot	\$1.5200-0200	\$1.5200-0210
1 month	0.0000-0000	0.14-0.25 premium
3 months	0.0000-0000	0.00-0.25 premium
12 months	0.00-0.0000	1.19-1.25 premium

**CHIEF PRICE CHANGES YESTERDAY**

Commodity	Change
Arbutnot Latham	150 - 10
Assoc. Newspapers	157 - 5
Audio Fidelity	30 - 8
Barelay's Bank	32 - 8
De La Rue 'New'	28pm - 6
Electrocomponents	330 - 10
Guinness Post	200 - 0
House of Fraser	128 - 7
House of Fraser	210 - 9
Mercury Secs.	126 - 10
Northwest Holst	741 - 7
Sainsbury (J.)	155 - 7
Stock Conversion	252 - 8
Sun Alliance	268 - 8
Thorn Elect.	523 - 8
Unilever	532 - 8
U.D.T.	46 - 3
Vickers	182 - 3
CRA	180 - 14
Cons. Murchison	370 - 20

**RISERS**

it. and Cmswith.	283 + 22
ledonia Inva.	252 + 20
ntrway	188 + 15
son Matthey	205 + 7
sons	480 + 10
calan-Glentivet	240 + 25
edonald Martin	285 + 15
ford Docks	83 + 7
concrete	68 + 4
Explosion	38 + 5
Beers Defd.	295 + 10
Geduld	1112 + 3
al Rects.	112 + 1
st Drie.	1181 + 1

**FALLS**

esbury	215 - 50
2002	2981 - 1

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## WORTH

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For latest Share Index phone 01-246 5025



# How savings and investments

**ARE** a small investor advice about safe investment in shares, then certainly you will be told an equity-based fund—a unit trust—is a safe investment. This is sound advice, since the fund will provide professional management at a reasonable cost for the size of investment. But how much will you have to pay to have your money managed? The answer is that the cost of the fund and the difference in price between buying and selling the units (the spread) are strictly controlled by the Department of Finance. The management fee must not exceed 1 per cent of the value of the fund, spread over the year. In theory this can be as low as 0.5 per cent, but in practice the DoF does not allow a spread of more than 1 per cent. The charge is taken directly from your investment, the rest being used to purchase shares while the annual charge

## Cost of advice

BY ERIC SHORT

is taken from the fund before the income is distributed, or the price adjusted. The rules for calculating the spread between bid and offer prices are meant to reflect the difference between the cost of buying and selling the underlying shares in the fund. The DoF controls these rules to ensure that the unitholder is treated fairly. There is no control at all over the amount life companies charge investors in their equity funds, if they are run as authorised unit trusts. So management charges tend to be higher. An initial charge of 5 per cent appears to be standard, but the annual charge tends to be higher: 1 per cent to 1.5 per cent. The spread between bid and offer prices is at present about one point narrower than with unit trusts. So you'll generally pay more to have your investments managed through a life bond,

rather than a unit trust. On average it makes a difference of about 1 per cent to the amount invested in units, although the life companies do have to meet the cost of life cover. What may be more disturbing for investors is the commission paid to brokers and agents for placing business.

The Unit Trust Association sets out a scale of commissions for members—1 per cent, plus up to 1½ per cent more where extra promotion costs are involved. The Life Offices Association places a maximum limit of 3 per cent on the commission paid for the sale of bonds. But unit trust groups which are not members of the UTA, and life companies which are not members of the LOA can go above these limits. The problem for investors is to determine whether their broker has recommended a particular contract on investment grounds, rather than on commission considerations. Most brokers do give their clients a fair deal, but some have undoubtedly sold primarily on commission considerations. It makes another argument for control of charges by one central authority, so that the consumer gets a fair deal. Or else there may be a case for brokers charging clients a fee in lieu of commission.

## New owners of the family firm

BY ADRIENNE GLEESON

THE RICH MAN'S lot is not there are some new specialists a happy one. The policeman, —Morcrest, and Electra Invest- taking home £40 a week — give ment—and plenty of institutions or take a little—might find it prepared to put their money difficult to sympathise. But the plight of the man on £30,000 a year merits some consideration, for it can, if he needs some extra cash—for school fees, alimony, the tax man or whatever—be hair-raising. An extra £1,000 a year in earned income is worth, to those of us paying basic rate tax, all of £55 a month. To him it is worth just £14. Should it come in the shape of unearned income, subject to the investment income surcharge, it is worth just £20 a year. This is how a suit of clothes comes to cost as so graphically described this week, all of £10,000 gross. It is also why the affluent will so happily swap income for capital.



## Gilt-edged tactics

BY ADRIENNE GLEESON

LAST WEEK'S gyrations in gilt-edged prices, the economic indicators which gave rise to them, and the forecasts of a rise in short-term interest rates, all create a climate of uncertainty for the holder of gilt-edged stocks. What should you do about the situation? Well the answer, unless you are fortunate enough to be able to take a tax-free capital gain (that is, you have held your stocks for more than a year and a day), is do nothing. It does look as though short-term interest rates may be higher by the New Year, and in the process of adjustment the prices of medium and longer-dated fixed interest stocks may well be affected too. But it is most unlikely that any losses will be big enough to compensate for the surrender of the capital gains tax concession on stocks which have benefited from the rise this year. So wait until you can take your gain without paying the taxman too. Those who have money to invest should, however, aim to keep their powder dry—by placing it as short as possible. For those paying no tax that means an investment in a National Savings Investment Account; for those paying basic rate tax, an investment in a building society (and it's worth hunting around for the best bargain going).

## Unit trust selection

TO MANAGE the way of its own to favour. And it does offer continuing management of the money invested—though it must be invested on a discretionary basis (which means that you hand it over to them). However, those who would have the benefit of the services which UTAS offers must be prepared to pay for them. Initial charges of units through UTAS is no more expensive for the individual investor than it would be if he were doing it himself—that is, it will cost him around 8 per cent, once spread and commission are taken into account. But any sales undertaken by UTAS will incur a "normal stockbroking commission"—which is to say, about 1½ per cent. Now if the investor were doing that himself, it would not cost him anything at all. Under normal circumstances the managers of UTAS seek to invest in a number of overlapping functions, 20 per cent of each portfolio within the year—but in a fallowing market they would reckon on a substantial liquidation. In some circumstances, the sets claim to be unique. It selling charges would amount to a minimum of 1 per cent, in addition there is a half-yearly administration charge of 1 per cent (minimum £7.50) for which the investor receives a half-yearly valuation, a personal research facilities. It report on his investments, an annual statement of his capital position, and more.

Govett's half yearly thoughts on world-wide market trends. Any investor satisfied with his trusts' performance in terms of either income or capital growth (it is possible to opt for the one, the other or a combination of the two) is not, of course, likely to find such costs too onerous. But whether he will be satisfied remains, for the moment, to be seen. The managers of UTAS have wisely declined to commit themselves to any index-beating, and have confined themselves to a hope that they will at least out do the worst of cyclical downturns—and any active investor ought to be able to do as much. That, of course, takes us straight back to the philosophical question underlying such attempts to manage the managers. The managers of UTAS propose to confine their attention to the specialist funds (including the high income funds). But specialist funds are for the active investor. Those who would rather not worry about the "mix" of their investments, add the tent to which they need to go through the hassle of putting their money into specialist funds and finding someone else to manage them. They should be in a general fund (or three, if particularly adventurous).

One of those problems is by when it comes to the sale of shareholdings in any private company (and quite a few public companies, too, for that matter). Failing a decision to sell out altogether, odds are that the majority of shareholders—and particularly those involved in the running of the business—are desperately anxious to prevent shares falling into potentially hostile hands: the hands, say, of a predator, or of a possible predator. That being the case, however, they have, all of them, to be pretty certain of the quality of the company in which they are to invest before they will undertake it. EDITH requires a good five year record and at least £50,000 in annual pre-tax profits: Morcrest a potential £100,000 plus. EDITH needs, in addition, to be happy, not merely about the existing management, but about the management succession—and in family-run companies that can like becoming one of the family.

# Schlesinger Investment Trust Units

**FIRST PUBLIC OFFER**

### Case for Investment Trusts

For some 5 years, the investment trust sector has performed the market, standing at substantial levels to asset values and having little appeal to a and institutional investors alike. Now the situation looks different: the outstanding value of investment trusts is now starting to be recognised by some major institutions. This has resulted in a number of substantial takeover bids: the Prudential Assurance Company's takeover of Standard Trust (£40m), British Rail Pension Fund's offer for Edinburgh and Dundee Trust (£89m) and the National Coal Board's Pension Fund's offer for British Investment Trust (£124m). Further takeover activity looks likely and this is leading to generally increased interest in the sector, helping to narrow discounts. Dividends have increased considerably over the last year and there is prospect of further growth. Investment Trust companies are not subject to dividend restraint and managers can restructure their portfolios to achieve higher yields. Discounts have begun to narrow but still stand 127% compared with 73% in 1972.

### Schlesingers' recommendation

In our view, current market levels provide an excellent opportunity to benefit from a continuing uprating of the investment trust sector. Furthermore, the diversification of investment trusts provides a wide range for any portfolio. For investors should be regarded as long term. Distributions will be made on 14th January and 14th July, starting July 1978. The estimated gross starting yield on the fixed offer price of 25p is 5.0%.

### Fixed price offer and 1% discount

Schlesinger Investment Trust units are on offer from today at the fixed price of 25p for applications received by Friday 9th December. During this period only, investors will also receive a 1% discount, to be applied to additional units. Minimum investment is £500. The offer may be closed before 9th December at the managers' discretion.

### Schlesinger Investment Trust Units

The aim of Schlesinger Investment Trust Units is to provide capital growth and income from a managed portfolio of investment trusts. The fund offers the following attractions:

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- Marketability — the units will be more marketable than many individual investment trusts.
- Capital Gains Tax advantages — the usual 17% capital gains tax credit will apply to this unit trust.
- Unrestricted unit trust. Basic rate tax payers will therefore not normally pay any C.G.T. on selling their units.

### Schlesingers' PIMS service

Investors of £2500 or more will receive the Schlesinger Personal Investment Management Service (PIMS) which includes regular investment reports and invitations to meet the investment managers.

### General Information

Applications will be welcomed under the terms of the offer until the end of the offer period. Units will be available after the offer closes at the price indicated in the July terms. The Unit Trust is a public company limited by guarantee. To sell units, please return your certificate, appropriately endorsed on the back — payment is normally made within 14 days of our receiving the returned certificate. Commission of 1% will be paid to the relevant agent. Charges: An initial charge of 5% is included in the offer price. A charge of an annual rate of 1% plus 1% of the value of the fund is deducted from gross income for each financial year. Trustees: Midland Bank Trust Company Ltd., London; City of London Investment Management Company, London; City of London Investment Management Company, London; City of London Investment Management Company, London. Registered in England, No. 005855. Members of the Unit Trust Association. This offer is not available to residents of the Republic of Ireland.

# Schlesinger Investment Trust Units

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Surname (BLOCK LETTERS PLEASE) \_\_\_\_\_ (in full)

First names \_\_\_\_\_ (in full)

Address \_\_\_\_\_

Postcode \_\_\_\_\_

Signature \_\_\_\_\_ (In the case of a joint application all must sign.) FT/19/11

# INTRODUCING CHIEFTAIN BASIC RESOURCES TRUST

AN OPPORTUNITY TO PROFIT FROM THE WORLD-WIDE GROWTH POTENTIAL PRESENTED BY THE DEMAND FOR RAW MATERIALS

## SECOND FIXED-PRICE OFFER

The main aim of Chieftain's recently launched Basic Resources Trust is to provide investors with substantial long-term capital growth from a world-wide portfolio of shares in companies which produce or distribute raw materials and energy. Income prospects, too, are not to be ignored, with a current initial gross yield of approximately 4.86% p.a. In particular, this is an appropriate Trust for the investor who already has a fairly broad, but conventional, portfolio and wishes to add to his capital growth prospects through a more specialised holding. Why Chieftain's Managers believe that the Basic Resources Trust presents an attractive investment opportunity is outlined below. However, we are at pains to point out that, although you can sell your units at any time, this Trust should not be regarded as a short-term speculative investment, and the price of units and the income from them can, of course, go down as well as up.

There will be only about forty shares in the portfolio in order to facilitate the Managers' policy of reasonable concentration combined with mobility. It is therefore unlikely in the extreme that the Trust would be invested in all of the many sectors at any one time. That is not to say, however, that there will be rapid wholesale switches from one sector to another. More that the balance of the fund will be shifted, according to where the best growth prospects lie. Initially the largest concentration is on tea companies, more because of the prospects of rationalisation than of any change in the price of tea itself; on tin, where it is anticipated prices will remain firm, and on oil, both in the UK, and in North America. The Fund has started with about a quarter of the portfolio invested overseas. The portfolio will not be diluted with any holdings of general shares.

### SHRINKING RESOURCES IN AN EXPANDING WORLD

In an economically expanding world there is always demand for more and more raw materials and energy. At the same time, reserves of many of these very materials are shrinking. The net outcome of this pressure is a long-term upward trend in prices. Hence, commodity shares have proved to be a profitable investment over the years. That is, when investment is handled with skill and professionalism. For, as is well known, commodity shares can be very volatile in the short-term, because the balance between demand and supply can change rapidly. For example, when world trade picks up, metal prices can accelerate upwards until mining output catches up with demand. Again, the recent failure of the South American coffee crop caused prices to increase enormously. A glut—equally hard to predict—would have had the reverse effect. Our point is that it is important to have a reasonable spread of shares to reduce risk, and a flexible investment policy to take advantage of the fluctuations in individual sectors. It is also vital to have a considerable knowledge of, and expertise in, the various sectors. Chieftain's Managers do have such knowledge, and have developed the all-important personal contacts with many companies over the years. Here is the investment strategy they propose.

### A COMPLICATED INVESTMENT MADE SIMPLE

We have outlined the attractions of investment in commodity shares for those seeking capital growth. For most private individuals, however, these attractions are more than outweighed by the difficulties of investing directly in such shares. The volatile nature of the market necessitates a comprehensive knowledge of the subject, access to much vital company information, and the ability to move quickly. Most of this is beyond the scope of the individual investor. Moreover, an increasing amount of any commodity share portfolio needs to be invested overseas, with all the attendant problems, and paperwork. However, Chieftain Basic Resources Trust takes the problems off the investor's hands. Your capital may be simply and efficiently invested in commodity shares by full time investment professionals. In addition, the trust has one facility not normally open to the private investor: that of the back-to-back currency loan, an alternative to investing overseas through the dollar premium.

### INVESTMENT STRATEGY

The Trust will invest solely in shares of companies engaged in the production or distribution of basic resources. Some of these companies are involved in mining the 'hard' commodities such as gold, copper and tin, and in mining finance. Some are producers of 'soft' commodities such as tea or rubber, or traders in such commodities. Some are concerned with the discovery, production and distribution of energy resources such as oil and gas. Some are located in the UK, others based in the Far East, or South Africa, or North America.

### YOUR REASSURANCE

Chieftain Trust Managers Ltd., was established in September 1976. Its four trusts, dealing in overseas as well as UK markets, have already attracted funds worth almost £6 million and very considerable support from stockbrokers and investment advisers.

The executive directors responsible for the management of Chieftain have, individually, built an extensive previous record of outstanding unit trust management with some of the industry's most successful groups. The Trustee of Chieftain Basic Resources Trust is Midland Bank Trust Company. The main duties of the Trustee are to hold the title to the Trust's investments, and to check that all purchases made by the Trust are in accordance with the Trust deed; to ensure that the income is distributed to the unitholders properly; and to approve advertising and literature.

### TAX ADVANTAGES

You can sell your units on any normal working day at the prevailing bid price. You will normally receive a cheque within seven days of receipt of your renounced certificate. If you are a basic rate taxpayer, you will generally incur no tax liability when you come to sell. If you are paying a higher rate of tax at the time of sale, you will be liable to Capital Gains Tax. But, even for the top-rate taxpayer, there is a maximum liability of only 13% (as against the normal rate of 30%).

### CLOSING DATE

Until 25th November 1977, units will be available at a fixed price of 25p each. Your application will not be acknowledged, but you will receive a certificate by 6th January 1978. Fill in the coupon or talk to your financial adviser without delay.

### GENERAL INFORMATION

This offer will close if the underlying price of units rises by 21%. After 25th November units will be available at the daily quoted price and yield published in most newspapers. Chieftain Basic Resources units were first available on 2nd October 1977 at an offer price of 25p. There is an initial management charge of 5% included in the price of units. There is also an annual charge of 1.3% (plus VAT) which has been allowed for in the quoted yield. The Managers will pay the standard rates of commission to recognised professional advisers, who should ring 01-245 3612 for details of Chieftain Trusts. Income is paid net of income tax, but this can be reclaimed by non-taxpayers. Distributions and a report on the fund are made half-yearly on 30th April and 31st October. The first distribution will take place on 30th April 1978. This offer is not applicable to Eire. The Managers of the Trust are Chieftain Trust Managers Limited, 30 31 Queen Street, London EC4R 1BR. Telephone: 01-245 2662. The Directors of Chieftain Trust Managers Ltd. are: P. L. Potts M.A. (Chairman); R. J. D. Eats M.A., M.B.A.; J. D. Gillett B.Sc.; I. H. A. Hazed F.C.I.S.; A. L. F. K. Tod.

# CHIEFTAIN TRUST MANAGERS LIMITED

### APPLICATION FORM

Fill in the coupon, send it now to: Chieftain Trust Managers Ltd., 30 31 Queen Street, London EC4R 1BR. I would like to buy Chieftain Basic Resources Units to the value of £ \_\_\_\_\_ on a regular monthly basis of 25p each. I enclose a remittance, payable to Chieftain Trust Managers Limited. Tick box:  If you want maximum growth by automatic re-investment of net income.  If you want to know how to buy Chieftain Basic Resources Units on a regular monthly basis.  If you would like details of our Share Exchange Plan.

I/We declare that I am/we are over 18 and not resident outside the U.K. or Scheduled Territories and that I am/we are not acquiring the units as a nominee of any person(s) resident outside the U.K. or Scheduled Territories. (If you are unable to sign this declaration it should be deleted and your application lodged through an authorised depositary.)

SURNAME (BLOCK LETTERS PLEASE) \_\_\_\_\_

FIRST NAME(S) (in full) \_\_\_\_\_

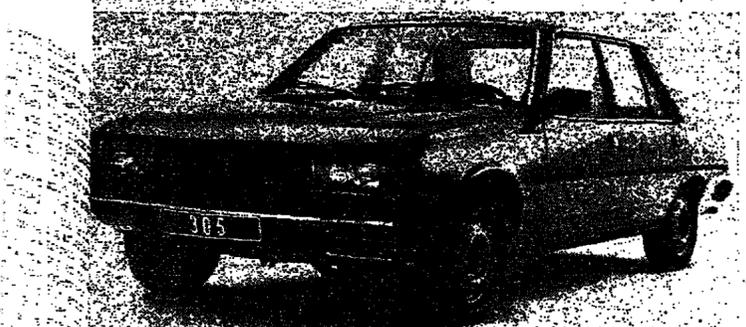
ADDRESS \_\_\_\_\_

SIGNATURES \_\_\_\_\_ FT

(If there are joint applicants all must sign and attach names and addresses separately to Reg'd office as above. Reg'd No. 210115)



# Motoring



PEUGEOT'S NEW family car, 305, has all the hallmarks of a winner. Going against the current hatchback trend, it is a "three box" saloon. The Peugeot will probably see an estate version later.

## Three boxes

BY STUART MARSHALL

It does everyone in the two-size class need five seats? Peugeot clearly thinks so. They are confident the 305 will compete strongly with the Chrysler, the four-door, drive Ford Cortina saloon. It is as clearly the kind of car Leyland should be proud as a successor to the 304. It has not been one of Peugeot's strongest points in the past but the 305 is arguably the best looking car yet. It is a sleek, with a massive glass area, and its elegantly shaped flanks should still look to date well into the 1980s. There are two engines. The GL and GR models have the aluminium four-cylinder of 100 cc capacity as used in the 304 model; the 305 SR has the same engine but enlarged to 1472 cc capacity by raising the stroke. Power outputs are 65 b.h.p. and 74 p.s. respectively at 6,000 r.p.m. The 305, which does not lose the ageing 304 for the up-being, went on sale in late this week. Right-hand drive models are due here next. Prices have not yet been set, but Peugeot stress the competitiveness with the rival. I take this to mean that the price spread between the cheapest 305 GL and poshest

The engine was quiet at 70 m.p.h. but started to get a little buzzy at the autovote limit of 81 m.p.h. Peugeot claim a top speed of 95 m.p.h. and an average fuel consumption of 31.33 m.p.g. For a rear-drive car, the gear shift would be good but for a front-drive model, with the additional complication of a cross-mounted engine, it is outstandingly silky and precise. The engine revs so willingly that third gear will show over 70 m.p.h. In town, it keeps pulling smoothly at 25 m.p.h. in top. The soft, well-shaped front seats have ample adjustment and even with tall people up front, the rear bench is not short of legroom. For shorter journeys at any rate, the 305 is a five-seat car. Instrumentation is clear and the steering wheel does not obstruct any of the dials; face and foot level ventilation is effective; and there is a lot of space under the fascia for maps and odds and ends. Sensible thick rubber strips along the body sides and black plastic-faced bumpers are standard equipment. The 305 feels a thoroughly well developed car built to high quality standards. A typical Peugeot, in fact.

I tried the 305 SR in France some weeks ago, where it attracted an embarrassing amount of interest among French motorists. It is an extraordinarily pleasant car of considerable refinement. The steering is sharp, light and direct enough for confident fast driving on winding roads. The all-independent suspension by coil springs offers typical Peugeot comfort on every kind of road from autovote to ill-maintained mountain by-ways. Though riding softly over rough surfaces, the 305 rolls only moderately when cornered hard. Tyre thump is minimal as one expects of a Peugeot.

## Tyres without tears

Dunlop's runflat Denovo tyre is now available as optional equipment on the Mini Clubman at an extra cost of £40. It usefully increases the capacity of the Mini Clubman's miniboat by eliminating the spare and perhaps marginally improves the choppy ride. Worried by Denovo's reputation for harshness at low speeds on the old Rover 3500, Dunlop are running "back to back" tests on the new Rover 2300/2600/3500. Drivers are invited to get into a new Rover with its tyres covered up, try it over a set course, have the tyres changed, and then try it again, still not knowing which kind of tyre it was, running on.

I tried the test last week. The first lot of tyres felt fine for wet grip (it was raining cats and dogs), had good steering response but were occasionally harsh on broken road edges. The second handled at least as well and were significantly softer riding. They were the Denovos. The first were Michelin XVS. At £95 per set extra, Denovos will not be every Rover owner's choice. But those who like the idea of not having to change a tyre immediately if punctures can now rest assured they won't have to sacrifice any ride comfort. Dunlop also say that Denovo's mileage potential is now as good as a standard radial tyre's. They expect that 120,000 British-registered cars (Leylands and some Fiats) will be on Denovo within two years.

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# Golf

## Mr. Packer to the rescue

BY BEN WRIGHT, Sydney, Nov. 18

THE AUSTRALIAN Open Championships being played this weekend at the Australian Golf Club, which was recently redesigned and rebuilt by Jack Nicklaus and his associates, is a fascinating event for a variety of reasons. The vast sums of money lavished upon the championship by Kerry Packer have been somewhat overshadowed by the enormously expensive cricketing in-fighting between himself and the game's establishments, in both England and Australia. But wherever one's sentiments lie with regard to that bitter feud, it is difficult not to be lost in admiration for what this local television and publishing magnate has done for the once-sliding Australian Open.



Left: Jack Nicklaus, level par on the course he redesigned. Right: Kerry Packer, paid the bill.

For a start, Mr. Packer has already spent some \$A500,000 to make the golf course a really wonderful championship test—7,182 yards in length, par 72. And, it is freely speculated, the promotional costs for this year's event involve an outlay of at least a further \$A1m. The championship is jointly sponsored to the tune of \$200,000 in prize money by the Willis tobacco concern and Packer's news magazine, The Bulletin, and they are putting out more than 20 hours of live television on Mr. Packer's Channel 9 Network.

The latter is the most ambitious TV coverage I have ever known, involving 37 cameras. On the first two days of the championship, every single hole has figured in the coverage each day. At the half way stage, Texas veteran Don January (71, 70), who will be 49 on Sunday, and New Zealander John Lister (70, 71), share the lead at three-under-par 141, with three Americans, Mark Hayes, Jerry McGee and

Bruce Lietzke, the only other players below par at one under. Five times champion Jack Nicklaus (77, 67), the defending title-holder, who is going for a hat-trick, left-handed New Zealander Bob Charles (73, 72) and Australian Jack Newton (71, 73) and Randall Vines (74, 70) are tied at level par 144. Once again the British are nowhere in sight.

Mr. Packer has paid each of his imported American stars \$6,000 appearance money, but has recouped much more than this by selling all of the 18 holes to different commercial sponsors who, in addition to occupying the commercial breaks, are given frequent verbal and visual credits as play switches to the holes that they have purchased. Nicklaus has transformed a dull, drab old course into a really attractive layout, among other refinements creating three large lakes and a pond, in enlarging the existing lake at

the 7th hole, formerly the 18th before the two halves were reversed. Nicklaus has created a beautiful two-tiered lake connected by a waterfall, the upper body of water now immediately visible as the players approach their second shots at what is a 425-yard par four.

The old 10th, 11th, 12th and 12th holes, now the first four, have been replaced altogether, and here one has to be critical, since the second and fourth are par threes of daunting difficulty, the latter played at 179 yards in length across a new lake to a heavily bunkered green that Nicklaus admits is too shallow and will have to be replaced.

Unfortunately, on the first two days of the championship, these holes have caused such trials and tribulations that the field has immediately backed off, and last evening the final trio took about six hours to complete their first round. Of

the 137-strong field, exactly 70 scored 80 and worse in the gusty north-easterly winds and heavy showers. To-day a violent thunderstorm caused a 40-minute delay, and thunder and lightning came too close for comfort thereafter.

Another more than slightly diabolical feature of the layout is that the 9th and 16th holes, only slightly altered, now both measure 482 yards in length and yet are classed as par fours. Only two of the latter measure less than 400 yards in length. But the piece de resistance is the new 18th hole of 520 yards, which used to be dull and featureless.

But Nicklaus has put in a lake to the right of a new, narrow, two-tiered green. The water stretches some 100 yards down the fairway, and there are three bunkers at or near the green on the left.

The brilliant 1976 U.S. Open champion Jerry Pate, who is mind-

currently one over par, was the only player on either day I saw go for the green with his second shot with a three wood, and his glorious and courageous stroke that pulled up 20 feet behind the hole fittingly earned him his birdie. Lister dunked his second shot here far out into the lake when attempting to lay up with a six iron, but he got up and down magnificently from 100 yards in two shots to save his par.

The other single most impressive feat was accomplished by Nicklaus, who came home in a marvellous 32 shots to-day. At the 570-yard fifth, Nicklaus, playing into the wind, found the green with his second shot played with a three wood—almost unbelievable. Nicklaus is receiving daily treatment for muscle spasms in his back in what is his first tournament for two months.

McGee is renowned for having the old disastrous hole to ruin an otherwise fine round, and yesterday he took seven at the par three 11th hole, going from bunker to bunker and then taking three shots to extricate himself from the second one. But last evening, at a dinner party, I was mightily impressed as he became a capable cricketer at the first attempt—among other talents demonstrating top-class ability as a close to the wicket fielder, at any rate in the opinion of those other than his tutor, Tony Greig. To-day, McGee told me he was thinking only of his great new sporting love all through his excellent second round, completed without a single moment of madness. Not for nothing is golf rated the 70 per cent mental, 30 per cent physical sport, or, in the words of the cynical, a disease of the mind.

## Tennis

JOHN LLOYD, the 23-year-old British No. 3, had the best win in a season of improvement for him when he scored a decisive 6-1, 6-2 victory over the 25-year-old American No. 5, Brian Gottfried, to give Britain a rare representative in the semi-finals of a major Grand Prix tournament. The win will assure Lloyd of at least \$3,750 from the \$75,000 Benson and Hedges tournament currently underway in London.

Today he will play the Mexican, Raul Ramirez, who achieved a 6-2 victory over the 33-year-old Dutchman Tom Okker in only their second meeting. Another semi-finalist is Eddie Dibbs, who avenged an earlier defeat in the first round at Wimbledon against Poland's Wojtek Fibak.

This time, a pulled stomach muscle sustained two weeks ago in Cologne in a match against Jimmy Connors reduced the power of Fibak's serve and overhead, and he could make no impression on the double-handed American, who in an hour and 25 minutes recorded a workmanlike 6-3, 6-3 victory.

Now Dibbs faces a formidable task to-day against the top seed, Wimbledon champion Bjorn Borg (Sweden), who overwhelmed South Africa's Roy Moore, allowing him only two games in each set. Moore actually won on his previous meeting in the U.S. Pro championships, but last night Borg, arguably the best player in the world, was in peak form.

The Empire Pool court has been a happy hunting ground for Lloyd this week. In the second round he decisively beat

the British No. 1, Mark Cox, and looked particularly sharp during the second set of his 7-5, 6-1 win.

Yesterday he started off in the same vein, and once he had weathered an American storm in the second game, where he was three times within a point of losing his serve, he surged confidently ahead.

Three successive breaks of Gottfried's serve, achieved with some delightful early-bit returns and incisive volleys, brought him the opening set, 6-1, in just 33 minutes.

When he broke serve again to move 3-1 ahead in the second set, an unexpected upset seemed possible. But final set

chances his harrying tactics had created, moved smoothly to a 5-2, and hammered home his hit forehand pass that Lloyd did not even move for.

This was the testing moment, and it is a measure of Lloyd's improving confidence that he immediately broke serve again with a rasping forehand volley across the court after Gottfried, faltering now, had himself twice double-faulted.

There must have been memories then for Lloyd of the without hitting his approach into the barrier, a common fault throughout the match for him. He was often beaten first time by Lloyd's fierce passes.

This time he accepted the

JOHN BARRETT

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The Crescent Plan provides a means of regular saving using the investment skills of a £125m investment group of private investors. Saving in this way, from as little as £5 monthly, with no upper limit, ensures that your regular subscription today will be worth more when prices are low and fewer when prices are high and guarantees that the average price you pay for your units is less than the average of their market prices during the savings period. Unit prices can, of course, go down as well as up but, pound cost averaging makes positive long term advantages out of such occurrences. As the CRESCENT PLAN is an insurance policy you are entitled to tax relief on your contributions. Currently this means that for every £100 you subscribe £17 will be allowed in tax relief, but if you stop subscribing to the Plan within the first four years the refund revenue may require us to refund to you a portion of the tax relief you may have claimed. This is done by deducting the appropriate amount from the proceeds that we will refund to you in the event of death before the end of the savings term. Experience has shown us that the most popular savings term is 10 years, therefore, for persons aged 18 to 50 next birthday this guaranteed return is at least eight times the amount of your subscription and for those up to age 50 next birthday at entry, at least ten times the amount of your subscription. (Details of longer term policies are available on request.) Depending on your age at entry, between £95 and £290 out of every £100 is invested in units from the very first subscription. (See Table.) Nevertheless, as indicated above the net cost to you is only £83 after tax relief. Later

## Rallying

### Roles reversed

FORD Motor Company in the role of David is unlikely enough: even more so when the Goliath is not General Motors, but Fiat. The precasting has been accurate, however, for the series of running battles from Finland to Quebec which this year has comprised the World Rally Championship. Sad to say, at least from the standpoint of spectator interest in the Lombard-RAC Rally which kicks off from Wembley to-morrow, Goliath has already won on points. A nine-car Fiat juggernaut descended on Corsica earlier this month to overwhelm Ford's pair of Escorts and clinch the world title in the penultimate round of the championship, the Tour de Corse.

In terms of prestige the 1,900-mile, five-day RAC Rally remains the principal event to win, however, and Fiat is expected to field seven Abarth 131 Rallies against the three "works" Escort RS1600s entered by Ford and a "B" team which is separately sponsored but which has heavy works backing.

With no less than 119 crews of the 180-strong entry coming from abroad, and from as far away as New Zealand, this is much the most "international" of all rallies. This year is also the event's silver jubilee, hence the fanfare start in London, at the request of the Queen's Jubilee Celebrations Committee, before the entire circus moves north to its traditional headquarters in the city of York.

This year, more than ever, will be a major exercise in logistics for the organisers as the rally makes its way up to York to-morrow, through Wales on Monday and Tuesday and through Scotland on Wednesday/Thursday. A volunteer army of 7,000 marshals has been assembled from 300 motor clubs, with 24 police forces involved in crowd control and safety planning. The finish is in York on Thursday afternoon.

Following widespread publicity given to accidents involving spectators last year, the start has been moved from a Saturday to a Sunday in the hope, likely to prove vain, that spectators will largely confine themselves to Sunday's special stages at properly supervised race circuits and stately homes.

Of the 1,900-mile route, nearly 500 miles will consist of special stages, where the cars run flat out against the clock on roads closed to the public. The majority are gravelled Forestry Commission roads, for which the organisers pay 40p per car per mile. With a £30,000 bill for this alone, small wonder the RAC needs the £200,000 which the sponsors Lombard North Central are sinking into the event over a three-year period.

More than with most other sports, money has become the determining factor in rallying success and many would argue that Fiat has effectively "bought" the World Championship.

Two years ago, the Turin organisation embracing Fiat, Ferrari and Lancia decided that its cars for the World Rally Championship should be based on a production saloon rather than the specially-built wedge-shaped Lancia Stratos with which the championship had been won several times.

Thus the 131 Abarth Rally came into being in a no-expenses-spared operation which saw the humble 131 Miraflore quickly turned into a 230-horsepower rival for the British Escorts. By the start of this season the Fiats were ready to tackle the world championship in earnest, and on a scale hardly seen since the days of the pre-war Mercedes and Auto Union grand prix racing teams.

Up to nine cars were entered in an event. Top Scandinavian drivers were brought in for renowned astronomical sums. Autosport, the specialist U.K. motoring weekly, has put the number of bodies on the team

at 458. Precise budgets are kept a dark secret but best estimates are that this year's championship has cost Fiat well over £3m.

By contrast, Ford's efforts this year are believed to have been on a budget of less than 20 per cent of the Italians'.

Nevertheless, Ford must be favourites for outright victory, having won for the past five years in succession. Britain's Roger Clark stands to collect his personal hat-trick, although both his team-mates are at least as quick, one being the vastly experienced Swede, Bjorn Waldegard, the other Finn Ari Vatanen, is undoubtedly the world's fastest but has the unerving habit of flying off into the scenery with expensive velocity.

They face a formidable challenge from a number of quarters, however: the Fiat team is spearheaded by the top-rated RAC, Markku Alen, and Timo Makinen, both of whom have become at home in Britain's forests; another Finn, Pentti Aikakala, who will settle his tussle with Briton Russell Brookes, for the RAC national championship on this event, is a potential outright winner with the new 23 litre Dealer Team Vauxhall Chevette. Stig Blomqvist is seeded number 2 in the first of the Saab 99 team cars, which, however, have had an unimpressive record since Blomqvist placed second on the RAC last year.

In addition, if it hangs together, the lone Lancia Stratos entered for world champion Sandro Munari cannot be discounted.

Finally, despite all their troubles, and the crushing humiliation of the withdrawal of the Jaguar racing team this year, British Leyland could yet pull something out of the bag with their four-car team of TRTs. Although rather heavy, and thus in need of something more than the 220 horsepower available, it must not be forgotten that, for a while, Tony Pond forced his "into second place on the RAC last year while team-mate Brian Culcheth finished ninth overall.

If, next season, a much talked-about 3½ litre V8 does finally find its way into the TRT, the 1978 RAC Rally could prove a very interesting contest indeed. JOHN GRIFFITHS

# Schlesinger Special Situations Trust

Schlesingers announce the launch of the Schlesinger Special Situations Trust. The aim of the trust is to seek capital growth by investing in "special situations" which will include above-average risk securities.

- The main areas of investment will be:
  - Asset situations - companies whose assets are under-utilised or under-valued and thus not reflected in the market valuation.
  - Recovery stocks - companies whose stock market rating has overreacted to disappointing results or a difficult background.
  - High Beta stocks - those stocks which have a high price volatility relative to the overall market and thus offer the possibility of outperforming a rising market (at the risk of falling more in a market setback).
  - High Yield stocks - where there is the potential of a re-rating.
  - Stocks with potential for exceptional dividend growth - stocks with high dividend cover which should benefit from the possible removal of dividend restraint.

The investments will be carefully selected after drawing on Schlesingers' own research and on the specialist research knowledge of London and Regional stockbrokers.

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Travel

Sun setting

BY PAUL MARTIN

I FIRST went to Sardinia several years ago when the Forte Village at S. Margherita di Pula...

Cooks quote a minimum of £142 including return flight Gatwick-Cagliari...

When I returned to Sardinia in early September, the sun shining brilliantly over the mountains...

After picking up a car at Olbia airport, which serves northern Sardinia...

The delightful hill town of S. Teresa di Gallura, on a headland east of Palau...

thought it an ideal family place. At night, with lights guiding you along the paths...

The Gattwick-Olbia charters are by British Caledonian with self-catering holidays from £126 for 14 days...

With the increasing popularity of self-catering holidays, Magic of Sardinia's least expensive packages...

It is also an ideal place for a family holiday as the village is traffic-free and with a swimming-ground...

When I returned to Sardinia in early September, the sun shining brilliantly over the mountains...

After picking up a car at Olbia airport, which serves northern Sardinia...

The delightful hill town of S. Teresa di Gallura, on a headland east of Palau...

Gardening

The Secret William Sim

BY ARTHUR HELLYER

BUY A CARNATION at the florists and the odds are a 100 to one that it will be the variety William Sim...

Whether Dianthus caryophyllus is a genuine species or a man made plant that has escaped into the wild...

Then, about 1830, probably in the gardens of Lyons, in France, a new type of carnation appeared...

These long flowering varieties never acquired the perfection of form of the best border carnations...

So carnation growing became a profitable commercial undertaking and large nurseries in many parts of the world...

Between them they must have raised millions of seedlings and they certainly introduced hundreds of new carnations...

which filled all the florists' requirements. There was 'White Sim' with pure white flowers...

Some of these, brighter scarlet variant 'William Sim' which is said to have been winter product...

It is a truly remarkable achievement to produce a succession of colour sports...

It was left to an American breeder to break this record of constant change...

Fashion

Down over

I BLAME the Americans. Until a couple of years ago ski fashion was confined to women...

On my how those days have gone. In some ski shops to-day you will have trouble finding a pair of old fashioned ski pants...

It was in the late sixties that the Americans really became interested in skiing as a mass market fashion sport...



Latest American import is the gilet (what they call it) which is little more than a down-filled waistcoat...

Gilets (the Alpine sports version is illustrated) abound in the ski shops at the moment...

but some stores have under-purchased, nervous that the vogue may not in fact catch on...

I used a gilet for much of last season and found it a warming investment. Further fashion extensions of voluminous down-filling are less appealing...

The rest of us, however, will probably head for something a little more form hugging. The ski gear is increasingly unisex in shape...

When shopping for ski clothing it pays to do a little walking around. Many ski shops these days have exclusive deals with manufacturers...

The basic gear is a pair of salopettes with an anorak if things get really cold. Do not try to wear modern anorak...

When shopping for ski clothing it pays to do a little walking around. Many ski shops these days have exclusive deals with manufacturers...

Fashion in ski boots and the skis themselves proceeds at a hectic pace towards brighter colours and smoother finishes...

The gilet above comes from Alpine Sports and costs £32. The two suits are from Pindisports, the one on the left is the Paramax Steve retailing at £79.50...



ARTHUR SANDLES

COMPANY NOTICE

RHODESIAN CABLES LIMITED

(Registered in Rhodesia)

NOTICE TO SHAREHOLDERS

EXTRAORDINARY GENERAL MEETING

At the Extraordinary General Meeting of Shareholders held on Friday, 18th November, 1977, the following resolutions were passed:

- 1) AS SPECIAL RESOLUTIONS
1.1 THAT the authorised ordinary share capital of the Company be and is hereby altered and increased from 900 000 (nine hundred thousand dollars) divided into 1 800 000 (one million eight hundred thousand) shares of 50 (fifty) cents each to 5 000 000 (five million dollars) divided into 10 000 000 (ten million) shares of 50 (fifty) cents each...

The Chairman advised the meeting that Exchange Control approval had been granted for the above resolutions by the Reserve Bank of Rhodesia. CAPITALISATION ISSUE Application has been made to the Rhodesian and Johannesburg Stock Exchanges for an amendment of the listing to provide for the increase in the nominal value of the ordinary shares from £0.50 to £1 and for the listing of the 1 800 000 capitalisation shares with effect from 31st December, 1977.

AN OFFER FROM M&G AMERICA

M&G AMERICAN & GENERAL FUND The US stock market, in stark contrast to that of the UK, has performed disappointingly over the last year...

Many experts now regard Wall Street as more attractive than London. Investors who buy units in American trusts in the next few months should be sitting on a reasonable profit by the end of 1978.

TWO WAYS TO INVEST TO M&G GROUP LTD THREE QUAYS, TOWER HILL, LONDON EC3R 6DD. EITHER £500 Complete this section to make a Capital Investment (minimum £500). I wish to invest £ in Accumulation/Income units...

OR £10 Complete this section if you wish to make a Regular Monthly Saving (minimum £10 a month). I wish to save £ each month in the M&G American & General Fund. I enclose my cheque for the first monthly payment, made payable to M&G Trust (Assurance) Limited.

YACHTS FOR SALE

YACHT FOR SALE

Beautiful practically new Steel Yacht approximately 110 x 22 feet 200 tons, built in France to 100 AI plus at Lloyd's with a certificate dated June 1977...

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SWITZERLAND AFOSEA Hotel Valaisa 1st class interior swimming pool, garden, tennis, etc. week from £17.50. Tel: 74 232.

HARROGATE

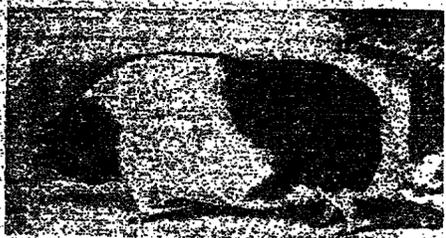
Old Swan Hotel BRITAIN'S MOST DISTINGUISHED HARROGATE HOTEL. Conference Secretary - RAC. Tel: HARROGATE 50401.

CLASSIFIED ADVERTISEMENT RATES

Table with 3 columns: Description, per line, single copy. Includes Industrial and Business Premises (3.75 per line, 12.50 single), Business for Sale/Wanted (3.75 per line, 12.50 single), Residential Property (1.35 per line, 7.00 single), etc.

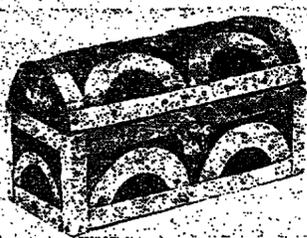
# by Lucia van der Post

## How to spend it



SUPPOSE the really best presents of 1977 are those that are exciting and unique. Anybody in search of such things should pay a visit to a new shop called *Deborah* which has just opened at 173 New Bond Street, London. Well, though a few things are available for comparatively small sums (like a 19th century boxwood money bank in the shape of a chess castle for £12.00) most of the things are expensive—not for what they are, but they will seem so to those accustomed to buying more mass-produced and prosaic objects.

The shop itself is in three large rooms above the China shop in Bond Street and the eminent designer, David Milner, has made it look like a home so that the objects may be seen in a domestic setting. Everything there has been bought by Lord Rendlesham (husband of Clare of Yves St Laurent fame) and Robert Kline who have spent many months travelling to collect them. There are prints, lamps and busts as well as pieces of furniture, mirrors, porcelain and so on. To give you some idea of the kind of



taste behind the venture here are two examples of what they were showing this week. Left, a portion of one of a pair of primitive watercolours. This one, as you can see, is of a pig, the other is of a cow. Both are painted in similar colours by John Vine of Colchester in about 1810. Apparently this gentleman was renowned for painting with his feet. They are 20 inches by 18 inches and they are framed in pale maplewood, £1,650 the pair. Right is a French 17th century silver and tortoiseshell casket measuring 8 inches by 5 inches for £650.

## Patch it up

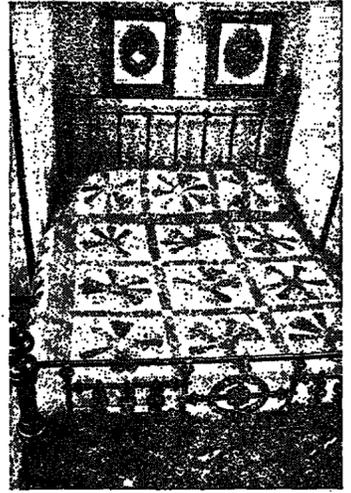
Harriet Wincoite is the name of a small business founded by Stacy Carr which specialises in producing kits of a small range of household items, all of which would enhance almost any home. I have seen many such kits in the course of my work and have not before seen ones so professionally produced, with such good packaging, clear instructions and so well thought-out.

Perhaps the secret of Stacy Carr's success is that she started gradually and made sure that each kit was right before she added it to the range. The collection, though, isn't large even now but the two things I liked best were the most ambitious—the china doll kit and the bedspread patchwork kit, both of which are photographed here.

If you would like to start patchwork in the easiest possible way, with all the hard planning done for you, so that you can see how you get on with it then her three smallish kits would be ideal. There's the patchwork cushion kit, based on hexagons, in a choice of four colour spectrums, which produces a cushion cover 17 inches square. The kit includes all templates, colour-matched cotton fabric, back and front cushion pieces, piping and fabric and the aforementioned very clear instructions, for £3.55. Two other small kits which could be good for beginners are the tablemat and napkin ring kit (again the price, of £3.55, holds it). The doll is, as you can see, in Victorian style, dressed in clothes of the 1890s. The head and limbs are in china and as many of the materials as possible have been produced exactly as they would have been at that time. The finished doll is about 20



The china doll kit seems by comparison expensive in that it is £18.95 but the finished doll is so very much nicer than almost all other commercially-produced dolls that I have seen, that it would make an outstanding Christmas present for a child. Stacy Carr says that children who have learned to sew could make it—they don't need a great deal of skill but do need a lot of patience. If in doubt, make it up yourself before the day. The doll is, as you can see, in Victorian style, dressed in clothes of the 1890s. The head and limbs are in china and as many of the materials as possible have been produced exactly as they would have been at that time. The finished doll is about 20



inches high and, as with the other kits, everything needed to make her is provided, including a real hair wig, calico and sawdust for the body, felt for the boots and so on. Once again the instructions and packaging contribute to making it all a delight to look at and the instructions are easy to follow. Although the kit price is £18.95, if anybody would like to give a made-up doll perhaps to a grandchild or godchild and can't face the making-up, Stacy Carr will sell them ready-made for £25. Finally, there are the bedspreads, based on the Dresden Plate pattern which can be quite clearly seen in the photograph. The completed quilt is a delight to look at and the colours and patterns have been nicely thought out. Here there are only two colour choices—a quilt based on pink or on blue. The great advantage of the kit is that all the cut-out-and-ready-to-sew pieces are designed to be put together by machine so that those who can't face the hours of hand sewing can put them together relatively quickly. A double bedspread, 102 inches by 102 inches is £27.95 (p and p £1.26)—almost identically ready-made quilts are being sold in smart London shops for £140 upwards, so it could prove a wonderful heirloom. If you want to buy one ready-made from Stacy Carr this could be arranged. For all further details and a leaflet of all she does, write to: Harriet Wincoite, 835, Kings Road, London, S.W.6.

**CUCARACHA** Galleries specialise in all things Mexican and it is a good source of colour, paper flowers, equally colourful candle-sticks, embroidery, pictures, earthenware, silver pots, and hand-blown Mexican glass. However, the things I liked most were among a collection of silver-plate on brass that they have recently imported—all the silver is a lovely, individual touch which turns what would be a fairly everyday item, such as a jug, a bowl, a honey-pot, into a work of art. The underlying sense of humour behind it seems to me rare and appealing.



There is a whole collection of silver-plate on brass that they have recently imported—all the silver is a lovely, individual touch which turns what would be a fairly everyday item, such as a jug, a bowl, a honey-pot, into a work of art. The underlying sense of humour behind it seems to me rare and appealing.

The pot costs £38.00 and is quite small, only 2 1/2 inches high, exclusive of the base. The larger sweet dish or fruit bowl has a malachite bird sitting on the edge and is £43.00. The bowl is 6 1/2 inches across.

Not photographed but very spectacular is a larger and lovely silver water jug with a malachite handle and decorative lid for £105.00. Because there are only one or two examples of each piece

**SERVING** two or three vegetables with a main course meat or fish dish is a splendid idea. Splendid, that is, if the choice of vegetables and their cooking provide interesting variety of fresh tastes, textures and colours. But all too often, in both restaurants and private houses in Britain, the so-called selection of vegetables turns out to be a dimly uninspired offering.

Why the predilection for frozen peas and beans? And why are they and their fresh vegetable companions nearly always ritually boiled and annotated with

knobs of butter? Such regimentation makes my heart and appetite sink. Leeks and cauliflower seem to be the only vegetables allowed to break rank from this buttered routine; but they are invariably weighed down by a blanket mask of cheese sauce—and that does little to stimulate my taste buds. Admittedly the choice of vegetables is smaller in winter than in summer. But the choice of

cooking methods remains as wide as ever, so it is perfectly possible to make roots and brassicas appear interesting and varied at meal after meal without resorting to frozen summer produce or expensive imported vegetables.

than to produce a monotonous, unvaried trio. There is room to give only a few recipes here so I've concentrated on the cheapest, most commonplace and, therefore, the most frequently abused winter vegetables. But do also try serving a purée of chestnuts instead of potatoes, stewing red cabbage with prunes, roasting parsnips, making fritters with partially steamed and sliced Jerusalem artichokes, grating a little celeriac into a basic pancake mixture, and stuffing spinach leaves with mushrooms and cream cheese.

## Meat and true veg

BY PHILIPPA DAVENPORT

**POLISH CAULIFLOWER**  
1 large cauliflower, 4 oz butter, 4 oz slightly stale bread, 3 hard-boiled eggs, 2 ozs ham (optional), 5 tablespoons chopped parsley, 2 tablespoons chopped chives, salt and pepper



Divide the cauliflower into small florets and steam for 5-6 minutes. Meanwhile coarsely grate or very finely dice the bread, fry in half the butter until golden brown, and keep warm. Chop the hard-boiled eggs and mix them with the finely chopped ham, herbs and plenty of salt and pepper.

Turn the cauliflower into a pan containing the remaining melted butter and swirl over medium heat for two or three minutes. Transfer the cauliflower to warm shallow serving dish, sprinkle the egg and herb mixture over the cauliflower, and top with the fried crumbs.

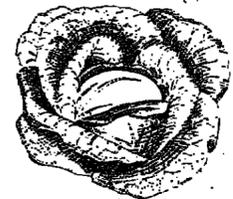
**CARROTS WITH OLIVES**  
1 1/2 lbs carrots, 1/2 lb shallots, 1 lb black olives, 4 tablespoons olive oil, 1 tablespoon wine vinegar, salt and black pepper



Blanch the olives by cooking in boiling water for 15 minutes. Drain and refresh. Peel the shallots and brown them in olive oil. Cut the carrots into julienne strips. Add them to the simmer for 50-60 minutes, stirring occasionally.

ing of salt and pepper. Cover with a lid and cook at a gentle simmer for 50-60 minutes, stirring occasionally.

**SOUR CREAM AND TOMATO CABBAGE**  
1 1/2 lbs firm green cabbage, 1 onion, 2 large tomatoes, 1 oz butter, 1 tablespoon tomato puree, 1 tablespoon flour, 1 pint chicken stock, 1/2 pint sour cream, salt, pepper and parsley



Divide the cabbage into quarters or six wedges and cut out woody stem. Steam the cabbage for 6-8 minutes, then transfer to a lightly greased dish, laying while the cabbage is steaming, soften the finely chopped onion in the butter. Add the skinned and chopped tomatoes and the flour and stir well. Gradually blend in the chicken stock and the tomato puree, season with salt and pepper and bring to the boil

stirring continuously. Pour the sauce over the cabbage, cover and bake at 350°F, gas mark 4 for 35 minutes. Reduce heat to 300°F, gas mark 2, dribble the sour cream over the top and cook, uncovered, for a further 10 minutes. Garnish with chopped parsley before serving.

**SPROUTS WITH CHESTNUTS**  
1 lb button Brussels sprouts, 1 lb Spanish chestnuts, chicken stock, 2 tablespoons butter, 6 tablespoons double cream, salt, pepper and nutmeg

to prepare fresh chestnuts, I suggest using 6 oz shelled hazelnuts instead. Steam the sprouts for six minutes. Turn them into a large sauté or other shallow pan containing the melted butter (the sprouts should lie in a single layer) and add the nuts. Cook over low heat for a few minutes, shaking the pan occasionally, until most of the butter is absorbed. Season with plenty of salt and pepper and a scrap of nutmeg, and pour on the cream. Cover and simmer for 7-8 minutes, shaking the pan occasionally.

First prepare the chestnuts. Score them round the "waists," drop in boiling water and boil for about five minutes. Remove the pan from the heat and lift the chestnuts out, three at a time, with a slotted spoon and peel away shells and bitter skin. Turn the chestnuts into a pan with enough stock just to cover and simmer for one hour or until tender and most of the liquid has been absorbed or evaporated. This is all a bit tedious but it can be done well ahead and the difference in flavour and texture between fresh and canned chestnuts makes it well worth it. If, however, you don't have time

have removed and also the pepper. Fry them gently in the fats for eight minutes or so until they are slightly coloured and softened. Remove the pan from the heat and stir in the nuts, parsley and plenty of salt and pepper. Stand the onion shells in a buttered gratin dish and push the stuffing into them with a teaspoon. Replace onion "lids," cover the dish with a dome of foil (reversing things up to this stage can be done well in advance if wished) and bake at 350°F, gas mark 4, for 50-60 minutes.



**I DON'T** know anybody who has too many plants or too many attractive planters to hold them. The Reject Shops have an uncommonly good selection of inexpensive planters just at the moment, all of which would make very good Christmas presents. I think they look much more expensive than in fact they are. The Reject Shop at 245-9 Erompton Road, London SW2, has them at the moment; the Tottenham Court Road, Watford and Brighton branches will have them next week.

From left to right: a charming pure white planter with a raised self-pattern, it comes in two sizes, 4 inches high and 5 inches high, at £2.49 and £4.85. The palm tree is placed in a particularly useful container as the bottom has a hole to allow for drainage (the others don't—and therefore plants shouldn't be planted directly into them but should be kept in the existing plastic pot and a few stones placed in the bottom of the container to allow for drainage). The hexagonal-shaped planter. The flower-drawings on the side are charmingly delicate, in white and green. In three sizes, 4 inches, 5 1/2 inches and 6 1/2 inches high, at £2.45, £3.35 and £4.39. The square-based planter is 6 inches high and is £3.29 but a double-size container is also available at £5.35. Finally the plain white planter with distinctive ring sides comes in four different sizes, 5 inches (£2.39), 6 inches (£3.45), 7 inches (£4.79) and 9 inches (£7.45).

## Postscript

IN MY experience washing-machines and dishwashers have infallible timing—they know when the house is full of guests or a big party is planned and that's just the moment they choose to go wrong. As Christmas is coming up and most people are liable to be doing more cooking, washing and washing-up than usual now is the time to think ahead a little.

If anybody has an old dishwasher reaching the stage where the cost of repairs is about to rise to the point where it would be cheaper to buy a new one they might like to be reminded of Buyers and Sellers. It is an excellent organisation, which specialises in selling, at amazingly low prices, domestic machinery which works perfectly but has a few blemishes or is part of somebody's over-production and this accounts for the many pounds knocked off the usual retail price. At the moment they have a consignment of Bekay dishwashers (model 561) which normally sell for £425 but these are very slightly marked on the cabinet and so can be bought from Buyers and Sellers for £199.95. Secondly, if anybody plans a large Christmas party with no help and hasn't got a freezer, now might be the time to consider buying one—there are Candy 14 cu. ft. chest freezers (in perfect condition these) which are available from the cheapest discount houses for £129.99 and which Buyers and Sellers have for £109.95, or 10 cu. ft. ones for £96.53. Buyers and Sellers deliver within the London area, guarantee all the equipment for a year and servicing, of course, is organised in the usual way through the manufacturer. There are two branches—one at 120 Ladbroke Grove, London W10 and the other at 72 Uxbridge Road, London, W12.



## If your wages clerk gets pregnant, we'll take the responsibility

How vulnerable is your accounts department? Often it just takes somebody to get pregnant, or leave, to throw the system—wages, purchase ledger, sales ledger—right out of gear. Finding and training the right replacement in time can be nerve-wracking. The answer is to make use of a standard computer package. Many company secretaries feel that computers are too sophisticated and elaborate for their particular operation. It would pay them to have a word with Boeing Computer Centres. That's right, Boeing. We're not just big in aircraft, we're big in computers too. And we have straightforward packages for sales ledger, purchase ledger and wages applications which are used by large and small companies alike. What we believe makes us different is that we're approachable people, to companies of every size. We won't blind you with science—we'll speak your language but we don't expect you to understand ours. We'll simply explain how we can help with your problem, discuss which of our existing packages would be most suitable, give you some idea of the cost and speed of the operation. As a first step, send the coupon. We've helped a lot of other companies—some small, some big, some quite a bit like yours. Please contact me to arrange for your representative to call. Name: \_\_\_\_\_ Company: \_\_\_\_\_ Position: \_\_\_\_\_ Address: \_\_\_\_\_ Phone No: \_\_\_\_\_

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Property

Two sides of the same coin

BY JOE RENNISON

TWO INTERESTING sidelights recently on the selling habits of a nation: one from a commentator and one from an agent. In a recently published paperback...

There is little difference between a "house" and a "residence" and a "property". A "residence" tends to be slightly larger and draughtier than a "property"...

Now the other side of the coin. A partner in Humbers, who have many offices in the south and west of the country. Detached houses, even if built close together, tend to fetch higher prices...



Hanover House, Lynton

For those looking for an area where prices range from the highest to the lowest Hampshire could be a good bet. From semi to supermansions they are all there. The following selections from different parts of the county will give some idea.

Down in Lynton, Jackson and Jackson are selling Hanover House (above) in Church Lane. The property, which has the appearance of a much older house, was built some 45 years ago...

price you will achieve and a well maintained house will invariably sell better than a scruffy one. Bring the garden to a good pitch and plan to sell at the time of the year when it is at its best...

Sell privately if you can but there are pitfalls. The agent has the contacts and immense experience and, if correctly chosen, will more than earn his fee.

show for £50,000; and a selection of new West houses on a site near Whitchurch at prices ranging from £19,980 for four beds and all with NHBC guarantee.

The Mann and Co. office in Basingstoke should be able to supply almost anyone's desires. They have on their books an enormous variety of old world oak-beam houses with a fair amount of land down to modern detached and semi at what seem to be reasonable prices.

For those who care more about their fishing than the kind of home they live in help is at hand. Knight, Frank and Rutley are the agents for Stanford Meadow Fishings, which provide valuable salmon and trout fishing on the Lower Itchen near Risingshoeke.

The property comprises fishing rights over about 940 yards of double-bank fishing and a further 155 yards of single-bank together with the freehold of some 16 1/2 acres of land. Also with the property is the right to perambulate over and fish the tributaries, streams and watercourses on some 145 acres of adjoining land.

The fishings have been owned by the Stracey-Cliffhouse family for some 30 years and they have much improved the river's potential. About 12 of the 16 acres of land are good pasture. A railway stock car has been turned into a fishing hut.

day in day out is indispensable. You ignore him at your peril. Beware of the agent who, when asked to sell your house, casually enquires the figure you are expecting. If he does that, be sure you have selected the wrong agent...

It is fundamental to the whole operation that you now the present market value, even if there is no question of your being able, or prepared, to sell at the low figure which may be quoted.

Buying a House or Flat by L. E. Vickers, Penguin, 70p.

Entertainment Guide

Entertainment Guide listing various theatres, operas, and musicals. Includes sections for Opera & Ballet, Theatres, and Cinema. Lists titles, venues, and showtimes.

PROPERTY ESTATES AND FARMS: LONDON AND COUNTRY PROPERTY: OVERSEAS PROPERTY: LAND FOR SALE: INVESTMENTS

Jackson-Stops & Staff. LANCASHIRE. A MAGNIFICENT ELIZABETHAN MANOR HOUSE SUPERBLY EQUIPPED THROUGHOUT. SUITABLE FOR PRIVATE OR INSTITUTIONAL USE.

SMITHS GORE. THE PETWORTH INSTITUTE. East Street, Petworth, Sussex. A substantial and imposing Grade II listed Georgian Town House in need of renovation.

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GLoucestershire. The Important Agricultural, Residential & Sporting Property. TIRLEY COURT, TIRLEY, near GLOUCESTER. A Period and Historic Residence, Executive Buildings, Modern Cottage, Fish and 404 ACRES.

BAHAMAS - FOR SALE. NASSAU, CABLE BEACH. Oceanfront residence on high bluff. 3 bedrooms/baths, 2 maid's rooms; living, dining/play/music rooms. Air-cond. \$245,000 furnished.

WOODLAND. Attractive small commercial woodland of 16 acres adjoining Golf Course. Mr. East, Haverley, Surrey. Freehold and sporting rights available. £252 per acre.

PRINCIPALITY OF MONACO. FOR SALE "SUN TOWER" BUILDING. Outstanding flat 4 main rooms - 3 bathrooms. Sole Agents: A.G.E.D.I.

HAMPKINS. NORFOLK. COMPACT AGRICULTURAL INVESTMENT AND VACANT POSSESSION PROPERTY. 805 ACRES. For sale on 1st December, 1977.

ST. JOHN'S WOOD. SERVICE FLATS. 1st class Service Flats between £150 and £220 available in Avenue Road, near Regent's Park.

FOX & SONS. SOUTH WARBOROUGH. About 11 1/2, 10-acre, 2000 sq. ft. house with 1000 sq. ft. garage. 1800 sq. ft. garage. 1800 sq. ft. garage.

FOX & SONS. 2, Market Place, Romsey. Tel.: (0794) 513085. Country Residence. 18th century origin restored and enlarged 5 bedrooms, 2 bathrooms (inc. master suite), beamed dining room with inglenook, T.V. room/study, sitting room, cloakroom, kitchen/breakfast room. Oil c.h. Double carport and barn. Garden and pasture 31 acres. £48,000.

هكذا من الأجرل



## What's the point of Ken White's mural?

Ken White spent three months working eight hours a day on this beautiful eerie mural.

The place is Swindon and the mural is Swindon as it used to be.

He says he did it because the "wall just asked for a mural" and because he thought it might brighten the place up a bit.

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# The Arts

## Whither Features

BY ANTHONY CURTIS

Recently on both radio and television we have had eloquent tributes to the work of the old Radio Features Department under Laurence Gilliam. We heard of its role during the second world war and of the complex technical operation behind the great annual Christmas Day broadcast circling the world and coming to its climax with the live voice of the Sovereign. Less prominence was given to the contribution to literature made by Features on the Third Programme so perhaps I may be permitted to mention here from a mass of

sent by someone deeply committed to the subject who had some original observations about it to communicate to the listener. Fred C. Ball had a particularly fascinating Quest-For-Corro-type tale to tell in tracking down the author of *The Ragged Trousered Philanthropist*, producing as his trump-card Tressell's daughter, long thought to be dead. In *That Most Despicable Race* Bryan Forbes's enthusiasm was enough to bring to life a miscellaneous mass of green-room gossip. And in *The Making of Pickwick* Professor Philip Collins, while coming across in rather downbeat Danish guise, made some excellent points, the most important being that Pickwick established serialisation as the popular way of publishing fiction until the end of the century.

Yet the overall effect of hearing all three Features more or less continuously was one of complete indigestion. It seemed bad planning to have such similar programmes so close together. Moreover I felt that although the Tressell programme did have a coherent form and a chronological pattern to guide one through the complexities of the investigation, the other two would have benefited greatly from a more carefully worked-out structure.

On Saturday Radio 3 presented us with yet another literary Feature evaluating the Scrope Davies and that fabulous parcel discovered last year containing the literary remains of Byron, Shelley and others, but this Feature clashed madly with Saturday Night Theatre, a dramatisation by Terence Tiller of *The Corinth Crisis* by J. B. Priestley and found myself hooked on the play. The basic story belongs to Priestley's experiments with time and concerns a mysterious stranger who acts as butler in a hollisly grand household. It all sounded highly improbable but as I say, I was hooked and stayed hooked until the end.

**Jazz Brunch at the Portman Hotel**  
The following jazz artists are appearing at the Portman Hotel's New Orleans Jazz Brunch during the forthcoming weeks.  
Johnny Barnes and Roy Williams on November 20; Dazzy Moss/Jeanette Lambie, November 27; Dick Charlesworth Quintet, December 4 and Bud Freeman with the Lenny Felix Trio, December 11.  
Brunch is from 11 a.m. - 4 p.m. and reservations are recommended.

## Lohengrin

BY RONALD CRICHTON

The Royal Opera came up on Thursday night with a gleaming, lyrical new *Lohengrin*—not the most likely opera to succeed at a time of enforced economy and labour troubles. Bernard Haitink conducts, Elijah Moshinsky (responsible for the 1975 Peter Grimes) produces. Sets and costumes are by John Napier, lighting by David Hersey. The international cast draws on Rayreuth and Salzburg. *Lohengrin*, a turning-point work in Wagner's career and in the history of 19th century opera, is a long, slow-moving romance interweaving myth and history; during its stately progress Wagner can be observed in the

### Opera

act of transforming romantic, spectacular grand opera (with elements from Meyerbeer's Paris as well as Weber's Dresden) into music drama.

It is a fascinating work to read about equally capable of firing the imagination of young would-be opera goers and, with the many strands of thought involved, of holding the interest of older ones. In practice, however, *Lohengrin* can go ponderous: the sum can add up to less than the parts. Neither the last Covent Garden production, dreary to look at though grandly conducted by Klemperer, nor the ENO version at the Coliseum, with some fine singing but deplorable designing, escaped the impression that this opera is in danger of fading from the repertory. No such fears are caused by this imaginative, sympathetic re-creation, filled with the quality which Thomas Mann described as "blue-silver," though that particular harmony is not actually conspicuous in Mr. Hersey's lighting plot.

Mr. Moshinsky, having now pulled off two low-budget opera productions, will be in danger of type-casting as an economical producer. It is therefore important to state clearly that he is also a very good opera director, clear about what he wants, not rigidly schematic, with the ability to place his characters and group the chorus expressively on an almost bare stage. There is little to doubt that if he were given a large budget for a change he would use it equally wisely, and every reason to suppose that there are



Rene Kollo and Anna Tomowa-Sintow

other producers whose work would become no more distinguished were their supplies to be severely whittled down.

The set for the new *Lohengrin* is a plain white box. A number of totems—a giant sword-belt on which the Herald alone or two other figures perch (the producer has to work hard to imply different levels), a reliquary throne for King Henry the Fowler, a fesces of rods topped with horns and a beast's skull for Ortrud and Truhmann. These objects are used to suggest location, to mark the struggles of the old religions against Christianity, and to suggest the taboo imposed on Elsa by Lohengrin. The absence of a balcony in the Minister scene compels Elsa (descending imaginary stairs to join Ortrud) apparently to disappear for a moment merely to allow her enemy to let fly with "Entweilner Götter".

Otherwise, little is lost by simplicity and much is gained. The swan, seen the first time as a projection, left to the imagination the second time, is tactfully handled (but Lohengrin pops up too abruptly from his trap). Mr. Napier keeps his colour scheme low at first, reserving his reds and lilacs for the bridal chamber, where the couple's brief intimacy is implied by the simplest means. For once gauges are used positively: at the end the on-lookers on the banks of the

Scheide fade from the audience's view while Lohengrin remains at the front of the stage, gazing sadly at the watery road back to Monsalvat.

Haitink, conducting his first Wagner opera, gives a beautifully secure, lucid account of the score. It does not feel heavy or unduly long, yet there are no artificial aids to liveliness. Except that it would be churlish to him and the Covent Garden orchestra not to mention the general excellence of the playing and the notable quality of the strings (for example in the quiet postlude to the Elsa-Ortrud scene), in the best possible way he fulfilled Wagner's theory that the ideal conductor is the one you don't notice. The singing of the chorus, no doubt because of rehearsal difficulties, did not often reach the high standard of the rest, but presumably better things will come.

In looks René Kollo is the romantic, story-book knight-errand come to life. As a singer he is, I think, underrated. His voice is not entirely fitted to the long strain imposed by this role. There was some flattening, and some ungainly pushing up to the

notes from below, but the tone was steady, and the words clear. Both tone and words were keenly projected. Anna Tomowa-Sintow, after a Dresden too-tragic, like to make much impact, sang Elsa music with a rare, sustained sweetness weakened only by dictation that came and went—it went mostly in the scenes with Ortrud. That lady was incorporated by Zva Handova with the air of an Edwardian villainess, haughtily puzzled, as though her rank and rightness had been unjustly questioned. Miss Handova's singing had the same individual, attractive qualities as her Barreth Kundry, and the same debilitating absence of clear words.

Donald McIntyre's Truhmann, gusty but undeniably powerful, and the Herald of Jonathan Summers, both gave the lady visitors lessons in word-projection. So does Robert Lloyd, whose vivid singing of the usually interminable King is one of the best things in the performance—never again can the opening scene be written off as a failure. Warmly recommended, especially to those who think they can't stomach *Lohengrin*.

The cast of the revival is mainly familiar. Rita Hunter, in lustrous, vibrant voice, returns to the role of Leonora. She permits slightly more edge to her tone in Italian opera than she does in Wagner, but the shading

## Il trovatore

BY ELIZABETH FORBES

The originator of that parody of individual words and beginning "This is the story of Of *Il trovatore*" obviously never had the advantage of hearing the English National Opera in Verdi's middle-period masterpiece. When Ferrando's narrative in the first scene, and Azucena's rather different account of the same events in Part Two can both be clearly understood, the listener holds the score necessary to enable him or her to disentangle the plot. If all passes had the excellent dictation of Harold Blackburn, and if all mezzos-announced as perfectly as Katherine Prinz, no difficulties in the elucidation of the complex story would arise.

These reflections are occasioned by the revival at the Coliseum on Thursday night of John Copley's production of *Il trovatore* after an absence from the ENO repertory of ten months. The performance was a special gala sponsored by the Martini International Club. A popular piece was called for in the circumstances—if I remember rightly "jolly" was the word used at the Martini Press conference the previous week—though the mortality rate in *Trovatore*, taking into consideration the deaths that occur before the curtain rises, is second only to that in *Hamlet* or *The Ring*, the abundance of melody in the score is enough to ensure its popularity for several centuries to come.

The cast of the revival is mainly familiar. Rita Hunter, in lustrous, vibrant voice, returns to the role of Leonora. She permits slightly more edge to her tone in Italian opera than she does in Wagner, but the shading

APOLLO—Shut Your Eyes and Think of England. Donald Sinden does much to redeem a very silly farce. Opened Tuesday.  
OLD VIC—Antony and Cleopatra. Prospect's production, formerly reviewed at Edinburgh. Hand-somely mounted, with Alec McCowen and Dorothy Tutin. Opened Tuesday.  
ALMOST FREE—Sovereignty under Elizabeth. Unusual piece by David Rudkin on the responsibilities of the monarchy in a modern state (England). Lunch-time. Opened Wednesday.  
EVERYMAN, Liverpool—Flying Blind. Macabre but exhilarating comedy extracted from contem-

porary life in Belfast. Opened Wednesday.  
MARILOWE, Canterbury—Term. Comedy by actor Salia, with more wit than Reviewed Thursday.  
FLATHOUSE, Oxford—The Oxford and Cambridge Shakespeare Company. Reopened Thursday.  
GOTTESBLOE—Half-Light. Printed Hard-Life in a young, snail, editions. A fountain of gelsud at the centre and cast around him. Opened day.  
GREENWICH—The Father production. Opened Thurs

## Theatres this week

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## Collecting Composers' private lives

MUSIC COLLECTORS are having a field day in the London sale-rooms. Following Sotheby's important sale of musical instruments last Thursday both Christie's and Sotheby's have sales of musical manuscripts and autograph letters in the coming week. Christie's sale on Tuesday morning includes such items as a newly written manuscript of an early work by Mendelssohn—a Bavarian Waltz—and a number of autograph songs, some apparently unrecorded, by Charles Cunniff.

The following day the outstanding lot in Sotheby's sale is an important signed autograph by Robert Schumann, which is expected to realise between £35,000 and £45,000. The 103-page manuscript is apparently the first version of the work later revised as *Fantaisie for Piano and Orchestra*.

At this stage of its composition it was titled "Ruinen, Trophaen, Palmen, Grosse Sonata für das Pianoforte für Beethoven's Monument," and seems to have been intended as Schumann's contribution to a fund set up by Liszt to erect a memorial to Beethoven in Bonn. The plan seemingly came to nothing, and a letter to Clara Wieck two years later indicates that at that time Schumann had renewed work on the composition which finally appeared in print, as *Fantasia Op 17*, in 1839.

The special interest of the manuscript is its vivid impression of work in progress: it is full of deletions, alterations, corrections, and pastings-over, with later scribbled instructions to the printer ("Please leave empty if unable to read the notes"). The variants between the manuscript and the eventually printed version are a treat for musicologists.

Elgar is similarly glimpsed at work in the deletions and corrections and rehearsal notes in five odd pages from his manu-



Carl Friedrich Abel playing the Viola da Gamba. By John Nixon.

script score for *Faust*. These pages have rather mysteriously become separated—perhaps given as a memento at some stage—from the otherwise complete score of upwards of 200 pages now preserved in the Fitzwilliam Museum in Cambridge.

Working documents of this kind are rarer on the market than the sort of manuscript fragments of music—often no more

promising to take her Revue, and looking for renewing acquaintance, delicacies of his native B gulyash and paprika... in 1861, fumes at the appreciation of his w Paris. He suspects a the powerful members Jockey Club, "who have and had their servants' music." Magnanimously pating Italy's greater a tion; he goes on to a correspondent the Italia in Turinhouse and Ric a cool Frs.15,000 apiece... A hasty pencil note b heaven-is full of drama; forget about the money; soon have none left... steadily recovering. To Queen of the Table b to sing at my house." F Beethoven's nephew w just attempted suicide b ing himself in the heat Queen of the Table ap have been the operatic Nanette Schroeder, at 2 old just starting her career.

Divas did not always such pleasure. Rossini covered grumbling at th Maria Malibran: "You to sing on Saturday. Collet, the director of ti naie's concert; which i this object, ought r rendere; you more obli I do not know if you been sole object of your expressed in your little and refusing my invit among to tell me that I among these! I hope a... A series of 31 unpu letters which form th important item in Christ show Puccini with mor less than prima donna publishers, edit his w 1817, even adding a couple of lines of comic doggerel at the bottom of each page. One of the highest prices in the sale, is expected for an album autograph: a Rossini manuscript of a song jusscribed and dedicated to the composer's friend, Dr. Conti almost two decades before it actually appeared in print.

The most evocative manuscript in the Sotheby sale is Thomas Moore's own fair copy autograph of *The Minstrel Boy*, which was first published, with Moore's own words, in 1813. It Moore's manuscript is attractive for the celebrity of the composition, an autograph fair copy of Paul Hindemith's "Mistral" Repertorium für Musik for string quartet is as interesting for its obscurity. The work, written in 1922, has remained unpublished and exists only in manuscript form in the Paul Hindemith Institute in Frankfurt.

Autograph letters offer revealing backstage glimpses of the lives and worries of the great composers. Liszt writes gallantly to the Countess Maliberti: JANET M.

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Although a number of tobacco-boxes in silver and less valuable materials have survived from the reign of Charles II, the appearance of an earlier example in gold is an exceptional event, as so much precious metal was melted down during the Civil Wars in the King's cause. The gold tobacco-box illustrated above, which is included in our sale of Fine Miniatures, Objects of Vertu and Gold Boxes on Tuesday, November 29, is therefore a great rarity, and the absence of any hallmarks could indicate an important, or even royal ownership. The engraving on the cover is close to that of Nicholas Briot, engraver to the Royal Mint (c.1645), and a contemporary letter confirms that tobacco boxes bearing the King's portrait were being made at this time.

In 1840, Thomas Kayvet wrote to his wife asking her to arrange for him to be sent "... two of Hillingworth's tobacco-boxes with the King's picture in silver..." In those days, apparently, they cost 4/6d each. For further information on sales of Gold Boxes and Objects of Vertu please contact Mary Feilden at the address above.

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**Saleroom**

IN A HIGHLY successful sale of antiquities at Christie's yesterday, totalling £284,492, an Egyptian middle kingdom falcon, hippopotamus, dating from around 1900 BC and measuring nine inches, sold for £28,000 to the London dealer, McAlpine. A private buyer paid £13,000 for an important Sycilian gold necklace of around the 4th century BC. A Sycilian gold torc of the same period sold for £3,000 to the London dealer Mansour, who also paid £4,000 for a Hellenistic gold bracelet. An Egyptian bronze figure of a crocodile sold for £5,500 to Symes, and an Egyptian bronze statue of Amun, £4,000 to Mahoubian.

There was also a very successful sale of modern British pictures, which totalled £184,810. There was an auction record of £8,000 paid by a Liverpool dealer, Bland, for "The Rye Marshes" by Paul Nash. The previous record for this artist was \$4,400 paid in 1971 for a landscape of the Verbal

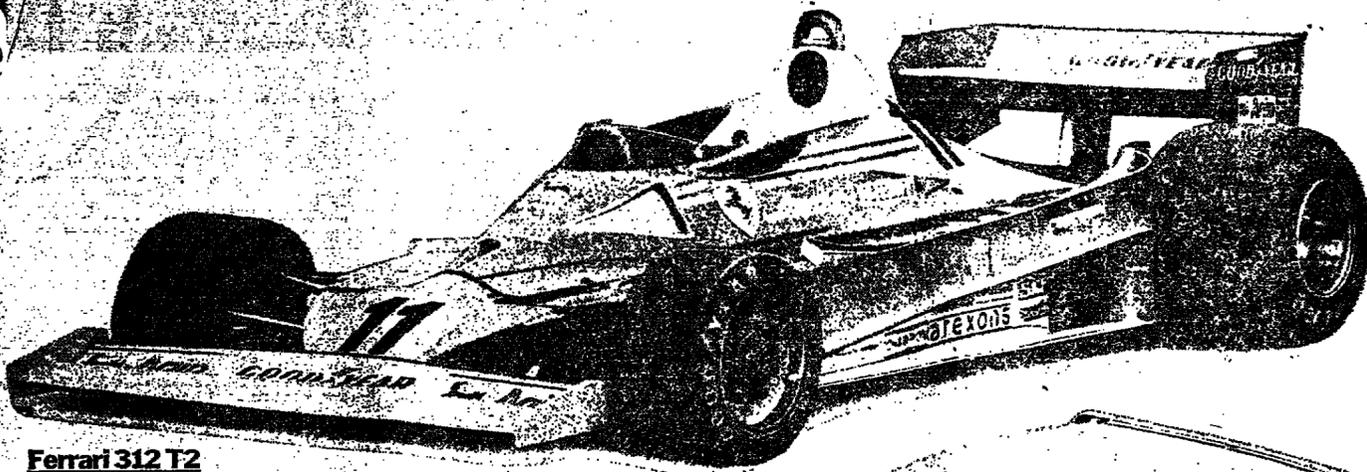
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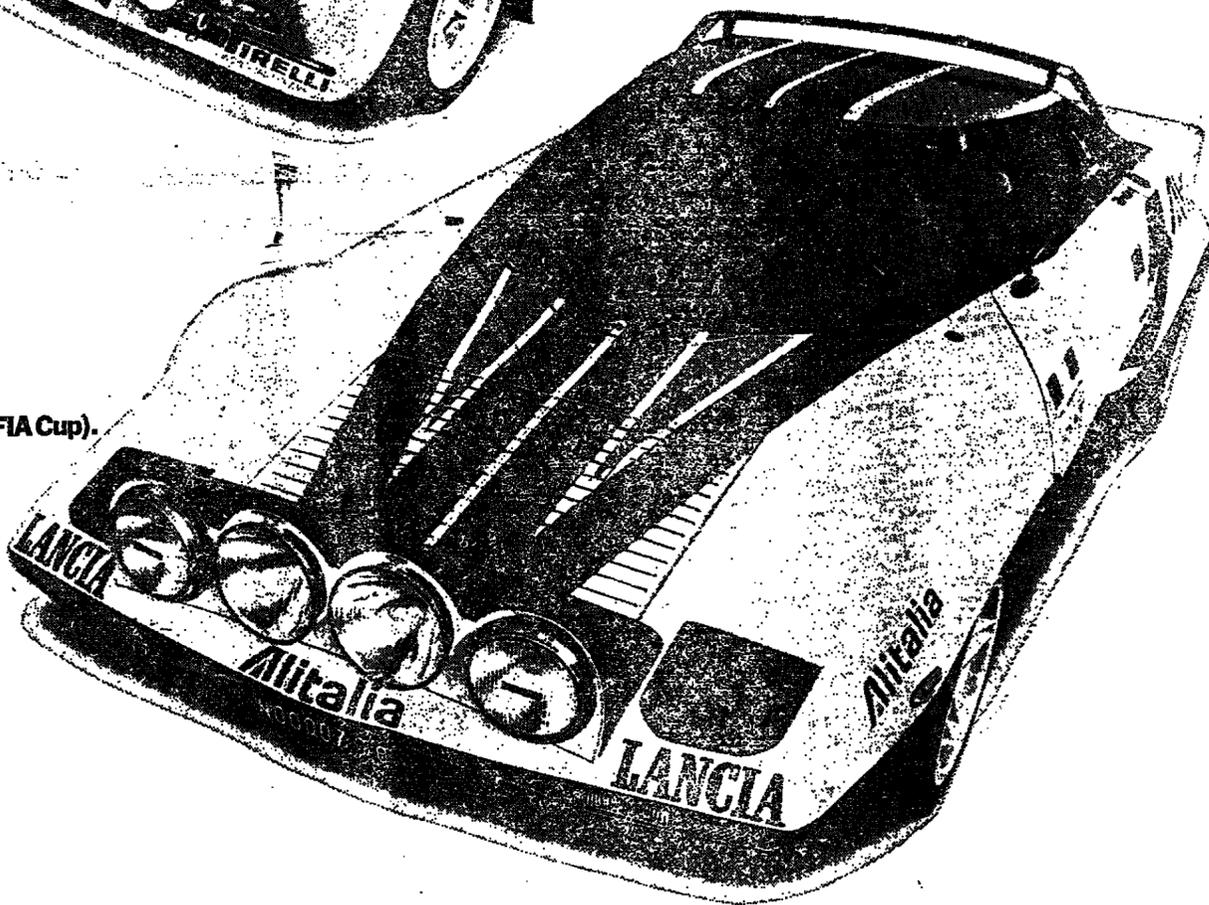
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HOME NEWS

Tes terminal cost increases by £38m.

BY DOMINI LONDON AND FAY GJESTER IN OSLO

Phillips Petroleum have incurred at the new Norwegian... The partners have informed Phillips that if the current...

More Home News, Pages 21-22

Unit trust sales increase sharply

BY ADRIENNE GLEESON

UNIT TRUST groups may at last have shaken out most of those holders who have been waiting for an improvement in prices...

Councils to issue short-term bonds

By Michael Blanden

LOCAL AUTHORITIES are to be allowed to issue floating rate yearling and other short-term bonds to the market.

Little sign of U.K. recovery

BY MICHAEL BLANDEN

ECONOMIC ACTIVITY in the U.K. remains at a depressed level and is showing little sign so far of the recovery expected by the Government.

Oil rig tax appeal rejected by judge

DEFERMENT FEES and loan interest of £494,990... The court judge rejected the appeal against a special tax commission...

Second Labour Whip rejoins back benchers

BY RUPERT CORNWELL

MR. DAVID STODDART, Labour MP for Swindon, yesterday became the second Government Whip this month to resign his post and return to the back bench.

Inland Revenue probes U.S. offshore company

FINANCIAL TIMES REPORTER OWN AND ROOT, the U.S. services company which is heavily involved in the North Sea offshore industry, is under investigation by the Inland Revenue concerning alleged tax irregularities.

J.K. and Ireland study duty-free crossings

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT... A joint study is to be made on the possibility of introducing duty-free shops on air and sea crossings between the United Kingdom and Ireland.

Dispute over £322,000 in shipyard settlement

BY RAY PERMAN, SCOTTISH CORRESPONDENT... A long battle over the outstanding debts due to creditors of the collapsed Upper Clyde Shipbuilders has taken a new twist with the liquidator and the Government.

£26m. more to be spent in culture next year

BY JOHN HUNT... NATIONAL spending next £10m. There would be £9m. for education, science and capital projects in schools, £5.5m. for further education colleges.

Bilton seeks damages

BY JOHN BRENNAN... CY BILTON, the industrial development group, yesterday served writs on a subcontractor and its adviser claiming damages for 'malicious prosecution'.

Hydro director, said the concern had not calculated exactly how much it had lost over the feedstock hold up.

The company said that the action of Hydro, Saga and Statoil in informing Phillips that they were considering a law suit should not be regarded as a threat.

He dismissed the appeal against a special tax commission... The court judge rejected the appeal against a special tax commission...

But it denied the allegations which it called 'uninformed and without justification' and said that it always co-operated fully with the tax authorities.

People making the crossing are allowed to bring in the normal traveller's concession of duty-free goods. But the absence of duty-free shops has made it difficult for travellers to take advantage.

The hearing has already taken two days but was adjourned yesterday to a date to be fixed. Upper Clyde failed in 1971. Creditors are still pursuing a claim of £7m. against the Government made in error to cement for alleged maladministration in the company's affairs.

There would be an extra £4m. for the science budget and this would go on new capital work announced by the Distribution of the money will be announced shortly. This is in addition to the extra £4m. spend on science announced recently.

Logcourt criticised the processes of the court by bringing a disputed claim before him in that form. Logcourt commented that the claim was 'no doubt thought they could bring further pressure on Percy Bilton; fortunately they (Bilton) refused to be blackmailed.' After the court hearing Logcourt's petition, Logcourt's petition was dismissed in consideration of pursuing their claim against Bilton in the High Court.

Logcourt commented that the claim was 'no doubt thought they could bring further pressure on Percy Bilton; fortunately they (Bilton) refused to be blackmailed.'

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# Good and bad together

THE OFFICIALS from the International Monetary Fund who are to begin on Monday an inquiry into the state of the British economy will inevitably be impressed by the improvement in the external position which has taken place since the beginning of the year. But they will also be struck by a number of contrasts and will find that most of the main economic indicators are ambiguous, those that are apparently good having less encouraging aspects, those that are apparently bad having their mitigating features.

Take, for example, the four main indicators to be published this week, of which two appear to be good and two bad. First — to begin with the good — we turn out to have had another large current account surplus in October, the third in a row: the total surplus during the past three months has amounted to £758m., enough to offset exactly the deficit incurred in the first seven months of the year and to suggest that the surplus for the year as a whole may turn out to be larger than the £350m. officially expected.

### Retail prices

But the overall figures conceal some slightly disquieting details. First, the volume of manufacturing exports has fallen slightly and the continuing increase in average export prices raises once again the question of U.K. competitiveness in world markets; second, imports of manufactured goods have continued to rise fairly fast, despite the sluggishness of demand. Similar reservations must be made about the other encouraging indicator of the week, the index of retail prices for October. Although this was still 14.1 per cent. higher than 12 months before, the trend over recent months (excluding seasonal factors) suggests that the rate of inflation is now down into single figures — reflecting the earlier trend of industry's input and output prices and confirming the prediction made by the Price Commission on the basis of increases notified to it.

On the other hand, the sudden drop in the Price Commission's index during the summer was probably due to an earlier bunching of price reductions

and has since levelled out, while the slackening of inflation caused by a former exchange rate and lower raw material prices could be reversed in a few months' time if wage increases get out of control. Here the news is, at first sight, bad. Although the great majority of wage settlements since the end of Phase Two are said to have fallen within the official guidelines, no major settlement has been much below 10 per cent.; what was to have been an average increase in earnings seems to have become a minimum increase in basic wage rates.

### Money supply

It certainly is the case that most observers expect the average increase in earnings during the current wage round to be nearer 15 than 10 per cent., but it is far too early to draw firm conclusions from the official statistics. Apart from the fact that only two months have passed, a much smaller number of workers than usual have settled during those two months, presumably hoping to gain through delay. Whether they do gain will depend partly on the firmness of the Government's monetary policy, and here again the news appears to be disappointing: the growth of the money supply exceeded the official target in the month to mid-October and is likely to do so again for the next month or two.

But this was an expected event, due principally to the huge influx of foreign currency caused by the weakness of the dollar and halted by the decision to let sterling float. The fact that the Government made that decision, despite many doubts, shows the importance which it attaches to continued monetary control and reduces the importance of stepping outside the guidelines for a short time. Those set for next year will probably be more flexible, and it is unlikely that the Fund will raise any objection. What may worry the Fund officials, as it certainly worried the gilt-edged market yesterday, is news of a large rise in bank lending, difficult to reconcile with the sluggishness of the economy and the inflow of funds from abroad. The more uneasy markets become about the behaviour of the money supply, unfortunately, the more difficult it becomes to sell the stock needed to keep the money supply under control.

# Skateboarding takes off

BY ARNOLD KRANSORFF AND GEOFFREY OWEN

SKATEBOARDS ARE going to cause a great deal of heart-searching over the next few weeks. There are the children, puzzling over polycarbonate or mahogany decks, Kryptonite or Road Rider wheels, and a number of other highly technical decisions. There are the parents, trying to balance cost, their children's safety and keeping up with the Joneses. Above all, there are the established toy companies and sports equipment manufacturers, wondering whether they have missed out on one of the great booms of the century. By Christmas morning, according to one estimate, at least one in four boys in the 9-16 age group will own a skateboard.

There is a bemused air about many of the participants in the boom. Thousands of cheap Taiwanese boards are said to be pouring into the country, the demand for American-made products, ranging up to £90 in price, is a long way from being satisfied, and manufacturers in the U.K. are frantically tooling up to make their own equipment.

Some of these cowboys are ripping the children off," says one local producer, but others have a healthy respect for the shrewdness with which the children weed out the low-grade boards among the plethora of brands, qualities and prices now available.

Whether parents like it or not, the skateboard is the most important single gift this Christmas. Hamleys in Regent Street are selling about 1,000 a week, ranging in price from £20 to £80. A large number of customers are said to be girls. Alpine Sports, which claims to be the largest retailer of skateboards, is selling £6-7,000 worth of equipment every day through four retail outlets.

Virtually all Alpine's equipment is imported from the U.S., and although the company makes up its own packages (that is, complete skateboards) most knowledgeable children buy separate branded items—say, C. & S. decks, California Slalom trucks and Road Rider wheels—and either fit them together themselves or have them made up by the retailer. The choice of components is determined by local skateboarding conditions and the particular manoeuvres in which the rider wishes to specialise—slalom, high-bank vertical face riding, and other alarming tricks.

Skateboarding is a sport which, to quote one enthusiast, "brings the joy of surfing to the humblest council house estate." The key event in the history of the sport was the discovery that cast polyurethane wheels, first used for high-quality roller skates, could be fitted to produce a "vehicle" of remarkable durability and ride characteristics. To oversimplify a complicated subject, the skateboard consists of three main components—the deck, the truck

and the wheels; for anything other than a light toy, the wheels should be made of polyurethane, preferably cast, although injection-moulded wheels are sometimes used on cheaper models. The trucks are made of alloy by the diecasting or sandcasting process. The deck can be made from several different materials, including mahogany, polypropylene and fibreglass.

Some of the more expensive decks use an engineering plastic called polycarbonate (supplied, riding at least two years: a plier of a slightly different quarter of the riders are female.

About two years ago, and particularly during the past year, a number of people in Britain became aware that something rather extraordinary was happening in skateboarding and that it had real potential as a business. Memories of the hula hoop and similar crazes deterred some of them; one large public company, with considerable experience of plastics, was planning to launch its own branded

Skateboardese: Four riders link arms and ride down hill on their own boards in a diamond formation.

Bank-riding: Riding any banked surface.

Blue-tilting: Riding the blue tiles at the rim of an empty swimming pool wall-of-death style.

Blue tile aerial turn: Shooting out of the top of an empty pool, clutching the board with the hands, turning in mid-air then riding back down the wall of the pool again.

Blue tile fever: An obsession with riding pools.

Bomb: Crouching on the skateboard then clutching its sides and jumping into the air with it.

Bong: A fall on to the head.

Burger: A raw bruise.

Catsman: Two riders, each sitting on their own boards, face one another, link arms and legs, and ride down hill together.

Coffin: Riding the board lying on one's back with hands clasped over the chest as though in prayer.

Hot: Superb.

Pirouette: Jumping from the board, spinning a full circle in the air then landing on the board again.

Radical: Difficult.

Road Rash: Cuts and grazes from falls.

Rolling Fall: Rolling over as the rider falls from the skateboard, to minimise injury.

Stoked: Excited.

Wipeout: A tumble.

for example, by Bayer, the German chemical company, and costing around £1,800 per ton), which is also used for police riot shields. The serious skateboarder is concerned not just with the performance of these three components, but with the strength of the ball bearings and a variety of other items; like a Wimbledon tennis player with his half-dozen rackets he may own five or six boards to suit different surfaces.

According to a recent survey, the U.S. will have 20m. skateboarders by 1980 and sales of boards, components and auxiliary equipment (including helmets, safety pads etc.) will reach \$1bn. wholesale. A study of Southern California showed that half of the households with children aged between eight and 21 had someone with a skateboard. The average skateboarder is 14, owns 3.2 boards that cost \$30 each and has been

schmidt bubble-car which was manufactured in Germany during the early 1960s, it meets his specification entirely. At a time, however, when much walling is heard in the land over the penetration of foreign car makers into the U.K. market, the reaction of this vehicle in the numbers envisaged by Mr. O'Brien would surely be most unwelcome!

Stephen Honour, 18, Barnwell Close, Brentwood, Essex.

Shipping From the General Secretary, International Transport Workers Federation.

Sir,—Mr David Freud reported (November 15) that Liberia, the world's first maritime nation (but only in terms of tonnage), has become the third to ratify the 1974 Safety of Life at Sea Convention. We hope that when the Convention receives the additional ratifications required for universal implementation, those maritime nations competent to do so will pay very strict attention to their ports to the condition, equipment and safety of Liberian ships.

I make this point because it is one thing for Mr. Gerald Cooper, Liberian Commissioner of Maritime Affairs, to claim that the proportion of sub-standard ships sailing under the Liberian flag has been reduced this year from 10 per cent. to approaching 5 per cent.; it is something else, bordering on the scandalous, that the sub-standard 5 per cent. admits to works out at about 4m. gross tons!

Harold Lewis, Maritime House, Old Town, Clapham, S.W.4.

Democracy From the Chairman, Slough Branch, National Front.

Sir,—Mr. Rogaly's article calling for a political response to the National Front was at best naive and at worst was badly misinformed and misleading.

He calls for the "trailing classes" to stand up against the National Front, but he seems to believe it is mainly recruited from the foot

hall crowds. I can assure him that our members reach every corner of society and include solicitors, doctors, accountants, teachers, university lecturers, priests, and colonels, and if he wants to meet them then he only has to get in touch.

The majority of British people have resolutely been opposed to a multi-racial society. The latest opinion poll commissioned by the BBC showed that the vast majority believed that immigration had been harmful to the country both economically and socially. After all, democracy is about majority opinion and not the passing of laws which attempt to pressurise people into changing their views. This is a practice only too familiar in Communist dictatorships.

Mr. Rogaly goes on to praise the extreme Left for its stand against racism, despite its lack of support from working people. It is however perfectly obvious to many people that the Communists, who have never had any success in the ballot box, see the colourist population as a means of breaking down our national identity, of changing society, and establishing their own Marxist Utopia. Indeed, the greatest forces opposing the International Socialists in their dream of an egalitarian socialist world society are the normal feelings of patriotic pride, patriotism, and the need to protect the interests and survival of one's own people.

Mr. Rogaly and other misinformed Liberals would have to sow the seeds of our own destruction.

Tom Mundy, 27, Hillary Road, Langley, Berks.

Disagreement From the Marine Director, Mirvies Blackstone (Stockport).

Sir,—An article appeared on the back page of November 14 by Ian Hargreaves, in which the statement is made — "The Poles have the capability to build the Sulzer Zagoda engines mutually agreed to be the most suitable for the ships, but a British engine builder would have to re-tool and extend existing licensing

arrangements with the Swiss company."

The statement that it is mutually agreed that these engines are the most suitable for the ships is totally inaccurate. A British engine builders non-licensed product was written into the signed specification for these vessels but under pressure from the Polish authorities, British Shipbuilders is giving way to having an engine installed that can be supplied from Poland as well as in part from a licensed source in the U.K.

The power requirement for these 18 smaller ships is 2,700 hp. The Sulzer engine output is 4,200 h.p. It is difficult to see, therefore, where your writer draws his conclusion that these are mutually agreed to be the most suitable units for these ships.

A. A. Adley, Hazel Grove, Stockport, Cheshire.

Rights From Mr. D. Seed.

Sir,—The phrase "Right to strike" has been bandied about a great deal in the past but it seems to me never so often as in the last few weeks. What is this "Right to strike"? Is it mentioned in some workers' charter or conditions of employment or, possibly, in some obscure passage of an Act of Parliament? Certainly, I have never seen it written down in black and white.

I will agree that everyone has the right to resign from his or her employment but having blackmailed the employer by withholding his or her labour, has the employee then the right to resume as though nothing has happened and without prejudice to the legal rights he would automatically have with interrupted service?

I would question this "Right to strike". Before it becomes really accepted through repetition.

D. A. Seed, Trundles, Pine Grove, Cornock Bourne, Farnham, Surrey.

## Letters to the Editor

### Currency

From Mr. S. Dixon-Frye. Sir,—Most arguments for and against a "strong" currency (Mr. A. Monnickendam, November 5) evade the elementary question of what characteristics together define a "strong" currency.

Among industrial market economies, "strong" and "weak" currencies are more readily identifiable under floating rate conditions than they were under fixed exchange rates. This facility, however, derives rather more from equally readily identifiable differences in countries' underlying economic strength than from the fact that some currencies have appreciated, relative to some numeraire or other, while others have not.

It surely is mistaken to equate an appreciating currency with a "strong" currency. Is a currency stable in relation to an appropriate numeraire necessarily not a "strong" currency? If so, it would be illogical for the U.K. authorities, reportedly, to prefer a stable rate for sterling which is sustainable without costly intervention, ensures reasonable balance between capital inflows and outflows, and readily manageable impacts of them on domestic money supply growth and credit expansion.

Even more mistaken is the tendency to attribute superior economic performance and low average rates of inflation in some countries to their appreciating currencies.

Unfortunately, both the decision to sever the pound's informal link with the \$ and the debate on an appropriate rate for sterling appeared not to have answered the fundamental question of whether or not the £ was under- or over-valued and in relation to what. For this century-old-fashioned criterion for exchange rate decisions has been substituted often spurious, even if optimistic desiderata, notably the expectation that a revalued £ could discernibly reduce British inflation.

The £ may have been undervalued against a weakening \$, but it was undervalued, in real exchange rate terms, against major West European currencies

and the yen? This, it seems, needs to be asked, and asked again.

If we must accept that a "strong" currency is an appreciating one, irrespective of domestic economic performance and immediate prospects, it would be well to recall that it generally is more difficult to prop up a "strong" exchange rate under insistent domestic and international market pressures than it is a "weak," possibly undervalued rate.

S. R. Dixon-Frye, 30 rue des Bossons, 1213 Onex, Geneva, Switzerland.

### Roads

From Mr. A. Watkinson. Sir,—Mr. P. O'Brien (November 14) is quite right when he says "Close down British Rail! We cannot afford it."

Once this has been done, however, we shall have a vast network of transport routes which could very quickly and cheaply be converted into a really comprehensive system of motorways.

These motorways would cater for public transport with priority lanes for buses, mini-buses and cars carrying more than three occupants, but there would still be ample space for cars and trucks even at peak periods.

The vast city centre terminals would provide more than enough space for car parks and road transport warehouses, as well as bus stations.

This would be an excellent way of using the valuable transport land at present monopolised by a few trains, and I don't think we would need 3-foot-wide commuter cars as there would be ample room for the 5-6-foot-wide variety.

A. I. Watkinson, The Cottage, 3 Otley Road, Harrogate, N. Yorks.

### Airports

From Mr. J. King. Sir,—As somebody who works at Heathrow in direct contact with passengers and their problems, I would like to comment on Mr. Corby's letter (November 10) about Gatwick and "its better lines of communications." It is true that Gatwick has

the unique asset of a main line railway station only a few feet beneath the airport, a quality which we in congestion-ridden Heathrow all envy. We therefore all look forward to the day—hopefully in December—when Her Majesty opens our railway station at the western end of the Piccadilly Underground line.

I wonder if Mr. Corby and possibly other readers are aware of another railway which already serves Heathrow, the Waterloo/Windsor line. This passes through nearby Feltham Station from which an express railway coach takes passengers the final two and a half miles to the airport along comparatively uncongested roads. The Underground may be 41 years late reaching Heathrow but railway coaches have been serving the airport for more than five years.

John E. King, 44, Le May Avenue, S.E.12.

Railways From Mr. R. Clifford. Sir,—I was amused by Mr. O'Brien's letter (November 14), where he advocates closing down British Rail.

Could one imagine the utter chaos that would ensue if this were to happen? A prime example is London, where something like 90 per cent. of the people who travel to the City each day go by train. And as regards cost, the average taxpayer has a far better deal from BR than from out-of-road systems. BR, it is true, costs millions of pounds to run. But please compare this to the billions of pounds we pay out for roads and motorways each year which barely brings a murmur of protest from anyone.

R. Clifford, 37, Probert Road, Colney, Wokinghampton, Staffs.

Unpopular From Mr. S. Honour. Sir,—Mr. P. O'Brien posed a question (November 14) about using "thin cars" as an alternative to British Rail.

I suggest that he makes the acquaintance of the Messer-



being sold are of poor quality, measuring about 250 feet (and sometimes dangerous for feet, would cost about £8, beginners) is a mixed blessing, indeed.

On the one hand it may give the trade a bad name. On the entry of one or two large other it should provide a big replacement market (for complete do for skateboarding what boards) as frustrated children and Brunswick did for trade up to higher qualities, bowling a few years ago. Some manufacturers hope for a happy example, perhaps shake-out which will eliminate ten-pin bowling, though the "back-street operators" and established sport, fell help to upgrade the industry as lately from its peak. I a whole; some form of "kite" is one obvious candidate mark" system as a guide to has been making un quality is recommended.

As for the longer term, some "boarding" could fit in to give skateboarding a couple of expanding interest in recreation activities. It is years before it fades away, others think it will become a major sport. "The craze is not dead, but the sport is just being redefined," says Mr. Trevor Lyne, Southwick, a Solihull group, recently introduced based manufacturer which is own brand of skateboards turned out some 40,000 skateboards a week. The company makes 15 different models, some of them in the toy category, and put off by the physical it expects to make £m. next of skateboarding, although porters say that, with

Mr. Lyne agrees with the instruction and equipment general view that the future of the sport depends on whether local authorities or individual since it was unable to companies recognise the need for specially constructed skate-board parks, such as exist in considerable numbers in the U.S. Several have already been built, including Skate City in Southwick; a car park has been converted at Sutton Coldfield the Sports Council.

Two hundred years ago a municipal swimming pool which has been emptied for the winter. Morris Vulcan has formed a joint company with Cooper Industries to build and operate skateboard parks.

There is talk of prefabricated indoor parks (skateboarding in the rain is not much fun) and there have been attempts to organise mass "skatepushes" to lobby local authorities to provide facilities. Even the most recalcitrant councillor is likely to be intimidated by a crowd of determined skateboarders made out of skateboards towards him at high speed, what no one knows is how a commercial skateboard park, will be lost.

There are those who say that British-made components do not yet match up to American quality, but this is strongly denied by the local producers, who think there may well be a big market for their equipment in the U.S. itself. One entrepreneur who previously imported Newporter skateboards from the U.S. has now begun to make them at a factory in Staines, using U.K. suppliers for all the components including the truck and he claims to be highly satisfied with the quality. He is turning out nearly 8,000 skateboards a week.

To set up in the wheel-making business involves an initial investment of £10,000 or so for an automatic casting machine—and there are plenty of people willing to have a go. "We've had scores of inquiries over the last few months," reports Synthetic Applications, an Urbridge machine manufacturer; the order book is stretching well into next year and they are so impressed with the market that they have started to make wheels themselves.

Not many people in the trade expect the frenetic pace to continue after Christmas. The fact that many of the boards now

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# Mr. Shore eases the pressure on rates

BY COLIN JONES

The growth of local spending has been the main reason for the increase in the rate of local taxation, Mr. Peter Shore, Secretary of State for the Environment, has said today.

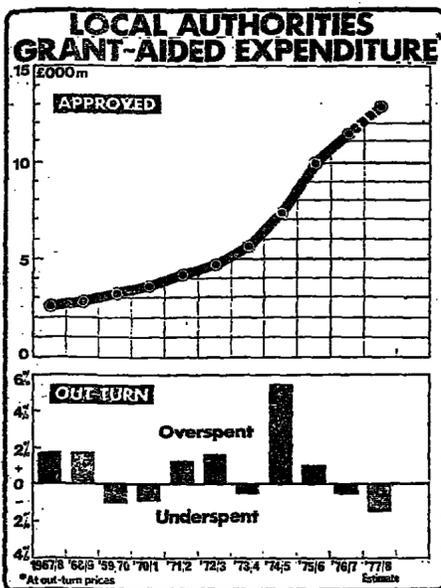
Mr. Shore said that the amount of local rates paid to local authorities in 1977-78 was 11.5 per cent higher than in 1976-77. He said that the increase was due to a number of factors, including the increase in the cost of local services, the increase in the cost of local government, and the increase in the cost of local housing.

Mr. Shore said that the Government was doing its utmost to ease the pressure on rates. He said that the Government was introducing a number of measures to reduce the cost of local services, including the introduction of a new system of local government, the introduction of a new system of local housing, and the introduction of a new system of local taxation.

At the same time, Mr. Shore has slightly eased his task of reconciling the conflicting needs of fairness and stability in allocating the grant among the 457 local authorities in England and Wales. The higher the percentage of net local current spending which is financed by the central Government, the greater the need to make the distribution of grant fair. Yet, by the same token, the greater the gearing of changes in grant share upon the local rates, when local spending and thus the absolute amount of grant is rising fast — as was the case up to a couple of years ago — it is easier to accommodate the destabilising impact of changes in grant share. But when local spending has levelled out (and the overall grant share is as high as now), the conflict between stability and fairness becomes especially acute.

However, this is only one reason for the by now only too public squabble between the various local authority associations — representing, respectively, the shire counties, the shire districts, the metropolitan counties and districts in the five largest English provincial conurbations, and the local councils in Greater London. For there are also growing and genuine doubts about the basis upon which the grant distribution formula is calculated.

Ideally, the grant ought to give local councils the opportunity to impose much the same kind of local tax burden for providing much the same standard of local services, irrespective of any differences in local needs and local rateable resources. A complete and pre-



ate these defects, they are far from water-tight.

Secondly, the attempt to even out differences in local needs based upon a complicated formula derived from a weighted multiple regression analysis of past expenditure so as to identify the factors which appear to be associated with above-average spending and, thus, by implication, with above-average needs. This method has been bitterly attacked both in principle and in practice, especially by the shire counties which have seen their share of the needs element of the grant fall by 11 per cent in the last four years, as is shown in the table.

They argue, with some justification, that it is wrong to equate spending with need without allowing for differences in propensity to spend, for differences in the standards at which councils provide local services, for differences in cost levels within local authority control, and for the effects on spending patterns of past biases in grant distribution. They also argue, with perhaps still more justification, that so many subjective judgments are involved in the present method that its appearance of objectivity is totally spurious. The problems are not only theoretical but also practical. For example, there is now an acute shortage of up-to-date and comprehensive data to indicate different categories of need. Because more and more of the data derived from the 1971 Census had to be rejected, and for other reasons, the 1978-79 regression analysis ended up with a formula based upon only seven factors, out of 21 tried out and 40 considered. Yet each time a factor is changed, left out, or introduced, the formula governing the grant share will

also change, which in itself is destabilising.

It is hardly surprising therefore that the grants working group of local authority and Whitehall officials ended up in total disagreement in July after having discussed four possible methods of needs assessment — three of them preferred by different local authority associations and the other by the Department of the Environment. Nor is it surprising that Mr. Shore should himself have given some recognition to the criticisms by including in next year's formula no less than four new rules so as to produce a distribution which is likely to be more politically acceptable.

As a result of the contrivances and an unchanged rate of grant, Mr. Shore hoped that he had extracted some of the heat from the increasingly bitter argument between his deacons in the standards at which councils provide local services, for differences in cost levels within local authority control, and for the effects on spending patterns of past biases in grant distribution. They also argue, with perhaps still more justification, that so many subjective judgments are involved in the present method that its appearance of objectivity is totally spurious. The problems are not only theoretical but also practical. For example, there is now an acute shortage of up-to-date and comprehensive data to indicate different categories of need. Because more and more of the data derived from the 1971 Census had to be rejected, and for other reasons, the 1978-79 regression analysis ended up with a formula based upon only seven factors, out of 21 tried out and 40 considered. Yet each time a factor is changed, left out, or introduced, the formula governing the grant share will

**RATE SUPPORT GRANT**

SHARE OF NEEDS ELEMENT (per cent.)

Financial Year	London	Metropolitan Areas	Shire Counties
1974-75	74.5	25.3	58.3
1975-76	76.7	25.9	57.4
1976-77	79.1	25.8	55.1
1977-78	82.4	24.5	51.9

Percentage change:

1974-75 to 1975-76	+31	+5	-11
1975-76 to 1976-77	+10	-2	-3

Normally, when grant-aided spending by local authorities has levelled out in real terms, as has now happened, there would be a case for lowering the grant percentage by a notch or two. For, with aggregate rateable values growing by 1.2 per cent a year, local councils could expect a correspondingly larger yield from the same rate poundage and so they could make do with a smaller percentage grant.

Moreover, Whitehall has assumed for next year's grant a rate of inflation in local authority costs of about 9 per cent, compared with the present financial year, which is some what less than the likely average rise in ratepayers' incomes. So rate poundages could be in-

creased without calling upon ratepayers to contribute a larger percentage of their disposable income. Finally, local councils are underspending this year — and not only because of the fall in interest rates — so their cash and working balances are being replenished. All these are reasons for lowering the grant percentage.

By maintaining the grant proportion at this year's 61 per cent, therefore, Mr. Shore is giving local authorities a breath-

ing space, which he is hoping they will use to contain the average increase in next year's rate calls within single figures.

By giving local councils this extra margin now, Mr. Shore can also afford to maintain a somewhat tougher posture in a year's time when he and the local authority associations come to discuss the question of how far next year's grant should be increased to allow for cost rises between now and then. If the rate of inflation were to be more than 9 per cent, he could refuse to sanction a breach in the cash limit on the argument that the original grant settlement left local authorities with something in hand. In other words, a margin of generosity now may help to make

## LABOUR NEWS

### Steel union to study redundancy ideas

NICK GARNETT, LABOUR STAFF

EXECUTIVE of the Iron and Steel Trades Confederation met yesterday to study the possibility of a new system of redundancy compensation for the industry in the wake of British Steel Corporation's determination to cut manpower.

The figure that was mentioned yesterday as a possible target for unions to aim at was £15,000 every steel worker who lost his job under the Corporation's redundancy plans.

The figure would have to be shared by the corporation and it is prepared to discuss reduced redundancy terms.

The confederation, the largest in the steel industry, considered yesterday that it wants to agree which would almost certainly mean lay-offs.

### British Airways plans to compete with charter fares

MICHAEL DONNE, AEROSPACE CORRESPONDENT

A NEW type of cheaper travel being planned by British Airways, is expected to be introduced on many of its scheduled services.

Details are not yet available, but the aim of the new class of service will be to compete against the growing number of low-fare charter and other promotional fares which are threatening the economic viability of many of the airline's scheduled services.

The first hint that BA is planning such a fare has been given by its marketing staff by Mr. Gerry Draper, marketing director, who said the airline was also planning a new concept of on-board duty-free sales of watches and cameras that would offer passengers what he called "Hong Kong prices" for such items.

Both developments are part of a marketing strategy aimed at raising the airline's annual revenues to £2,500 million, which £1,360 million will come from passengers and some £200 million from cargo.

Competition

These developments reflect the growing concern by British Airways and other scheduled airlines at the way in which cheap charter fares are eroding their business with the active support of governments.

This problem was discussed at the recent annual meeting of the International Air Transport Association in Madrid, where it was decided to set up a five-man task-force to reconsider the world airlines' system of fixing fares and cargo rates.

This left the individual airlines free to consider their own responses to the problem and the British Airways plan in no way jeopardises the decision that the IATA task-force may reach. It is significant that Mr. Ross Stainton, the deputy chairman of BA, is a member of the five-man IATA team.

## Economic Diary

SUNDAY — National Savings of the motor trades (3rd qtr.) report

TUESDAY — Provisional unemployment and unfilled vacancies (October). EEC Council Ministers Liaison Committee meets. Concords in progress. House, London. Treasury annual flight to New York. Dr. and International Monetary Fund John Cunningham, Parliamentary Secretary for Energy, talks open. EEC Finance Ministers meet in Brussels. EEC speaks at Combustion Engineering Association Conference, Eastbourne.

BRUSSELS, Mr. Eric Varley, Industrial Secretary, WEDNESDAY — Prime Minister expected to sign deal on sale of ships to Poland. Barclaycard cut in interest rates comes into effect. House, London. Meeting of TUC Electrical, Electronic, Telecommunications and Plumbing Union general council. Congress House, conference opens. Norbreck Herr Dietrich Stobbe, new Mayor of West Berlin, arrives in U.K. for talks with Prime Minister. Financial Times two-day conference on Price Policy and the Price Commission opens at Royal Lancaster Hotel, W.2. Construction, new orders (September). Bricks and cement production (October). New vehicle registrations (October). Public sector trade unions meet demonstration on pay, national conference, London.

THURSDAY — Council of Europe Ministerial meeting in Strasbourg. Dr. David Owen, U.K. Foreign Secretary, in exploratory talks on Gibraltar with Mr. Marcelino Oreja, Spanish Foreign Minister. Mr. Len Murray, TUC general secretary, addresses EETPU conference. Bournemouth East Parliamentary By-election. Car and commercial vehicle production (Oct.—final). Capital expenditure by manufacturing, distributive and service industries (3rd qtr.—prov.). Manufacturers' and distributors' stocks (3rd qtr.—prov.). Energy Trends publication. British Productivity Council annual conference, London.

FRIDAY — Dr. David Owen, Foreign Secretary, at Scotland in Europe's dinner, Caledonian Hotel, Edinburgh. Mr. Harold Cross, Spanish Foreign Minister, opens first of a series of conferences on small businesses. Lameth, London.

### Ambulance workers seek 'substantial' increase

PAULINE CLARK, LABOUR STAFF

SUBSTANTIAL increase in pay and protection against the Transport Workers Union, said yesterday that he hoped the Government would not try to impose a rigid 10 per cent pay policy on the ambulance workers. A 10 per cent increase, he added, is not enough to secure a "decent" raise.

The ambulance workers, whose basic pay ranges between £40.52 to £52 for a 40-hour week, are also represented by the Confederation of Health Service Employees, the National Union of Public Employees and the General and Municipal Workers' Union.

Ambulance workers employed by the Mersey Regional Health Authority are planning a ballot to decide whether to stage a 48-hour strike from next Wednesday over their 20 per cent pay claim.

Mick Martin, national secretary for public services in the Transport Workers Union, said yesterday that he hoped the Government would not try to impose a rigid 10 per cent pay policy on the ambulance workers. A 10 per cent increase, he added, is not enough to secure a "decent" raise.

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### Provo fire-bombers puzzle Belfast

GILES MERRITT

AFTER FIVE days of the fire-bombers' strike, Ulster police chiefs are beginning to believe that Provisional IRA fire-bombers may have deliberately avoided Belfast's city centre.

Apart from Sunday night's eye-witness Provo blitz in the city, when nine fires were started by cassette-type incendiary devices, there has been only one fire-bombing on Tuesday of a furniture warehouse in West Belfast and the attempted bombing of a public house.

There were fears at first that the city, which with Londonderry is now protected only by a skeleton freighting service of 180 soldiers, would be singled out by the Provisionals for large-scale arson.

The threat still remains—and Royal Ulster Constabulary sources last night stressed that cassette bombs, which can be cheaply and easily made, are thought to be stockpiled by the IRA—but an analysis of fire bombs found and defused during the strike period shows that Belfast itself has not so far been a target.

Incendiary devices in ten commercial premises in Londonderry, Downpatrick, Dungannon, Coleraine and Newtown have been detected this week before they could do any damage.

But in Belfast's shopping centre, which is protected by its "ring of steel" barriers and by personal searches at the gates, no bombs have been planted.

The authorities are thankful, but puzzled, that the Provisionals have not launched their expected incendiary campaign, but it is thought that tightened security measures in the Belfast area may have deterred the bombers.

Other security experts in the province have suggested that the Provisionals are observing an acceptable level of violence. The argument is that to exploit fully the strike by Ulster's 500 full-time firemen could be counter-productive, triggering a tighter security clampdown and losing the IRA further support in the minority community.

### Fair wage' 20% award

ETAN 250 middle Also, following a 12 1/2 per cent award in the Tyne shipbuilders' strike, the 600 Swan Hunter have received a 20 per cent pay increase. The means rise of between £500 and £1,100 a year for yard managers had fallen behind those of the technical staff, the 20 per cent award back-estimated, chief draughtsmen and others. They can still demand the Central Arbitration Committee, which has the power to set aside Government pay policy if it falls due. In the case of the yard staff, the Government award was £4,000 and £5,500 a year. The Government award was £4,000 and £5,500 a year. The Government award was £4,000 and £5,500 a year.

### Strike shuts Manchester canal

UNOFFICIAL pay strike The canal management has sealed off the ports of Manchester and its 36-mile canal with the sea for more than a week as it causes growing difficulties for shipping.

42 lock-gate and Transport and General Workers Union officials with the three Eastham locks, officials of the arbitrator, Conciliation and Arbitration Service, present, broke down earlier this morning with a further 20 week. No date has been fixed for a further meeting.

The United States of America is one of the world's strongest economies. Its strength is based on the country's abundant natural resources and its commitment to free enterprise and the creation of profits and prosperity.

In addition the US dollar is traditionally a stable currency and inflation has overall been kept lower than in other Western nations.

Piccadilly American Fund aims to achieve maximum capital growth by investing in the shares of industrial and commercial companies in the USA and, when appropriate, in short dated government and corporate bonds.

The United States has been affected less than most other countries by the current world recession and, despite a number of areas of short term concern, the economy is fundamentally sound.

Lack of investor confidence in the strength of the economy, and unsettled conditions in the securities industry, have held back share prices in recent months. However, these fears are related to essentially short term considerations and we feel that the American market is extremely attractive on a 3 year view.

US companies are raising their dividends, high corporate liquidity has produced activity among second line stocks in anticipation of takeovers and there is evidence that significant institutional funds are now awaiting investment. Price/earnings ratios are at a historically low level.

Piccadilly American Fund provides an opportunity to invest in the US stockmarket at what could prove to be the low point of the current cycle and investors would be wise to consider investing before the market rises.

The price of units and the income from them may go down as well as up.

Your investment should be regarded as long term.

Applications and charges will not be acknowledged but you will receive your certificate for the number of units allocated within four weeks of our receipt of your application. Units will be issued at the offer price ruling at the close of business on the day preceding receipt of your application. For information purposes only, the offer price of units at the close of business on 16th November 1977 was 25.5p. The estimated gross annual yield at this price was 8.1%.

Income Distribution: The income, net of tax at the basic rate, is payable annually on 29th July. The first distribution in respect of this application will be made on 29th July 1978.

The Charges: A one-off charge of 6% is included in the offer price to cover initial expenses including commission of 1% to recognized professional advisers. An annual charge of 1% (6 VAT) of the value of the Fund is deducted to cover management and administration expenses.

Capital Gains Tax: If you are a basic rate taxpayer you will generally incur tax liability when you sell your units. If you pay a higher rate of tax at the time of selling you will be liable to Capital Gains Tax. For the top rate taxpayer there is a maximum liability of only 12 1/2% against the normal rate of 30%.

Valuations: The Fund is valued daily and the current price and yield is published daily in the national press.

Management: Piccadilly Unit Trust Management Limited (Member of the Unit Trust Association).

Directors: Alan F. Judd JCA, Albert H. Fox JCA, Richard C. Lewis, Neil H. Scott, David F.H. Scroggie.

Trustee: Bank of Scotland, The Mound, Edinburgh EH1 1YU.

How to Sell Units: You may realize part or all of your investment at any time by signing the back of the certificate indicating the number of units you wish to sell and returning it to the Managers. You will normally receive your cheque within 14 days.

Share Exchange Plans: Holders of UK shares can take advantage of the Piccadilly Share Exchange facilities to purchase units in this trust without incurring the normal selling costs. If you wish to invest by way of share exchange, please attach a list of the investments which you wish to exchange with the company.

The Piccadilly Unit Trust Management Limited (Registered Office), Watlington House, 55A Watlington Wall, London EC2M 3DA, (Registered Office), Tel: 01-638 0801. Registered in England No. 2362338.

If/We wish to invest in (minimum £250) in the Piccadilly American Fund, please send a remittance for the full amount payable to Piccadilly Unit Trust Management Limited.

If/We declare that I/we are not resident outside the Scheduled Territories and that I/we are not accepting the above mentioned units as the nominee(s) of any person(s) resident outside those Territories.

If applicable cannot make the declaration, it should be left unsigned, and the application should be signed through a solicited deputy (bank, stockbroker or solicitor in the United Kingdom).

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name (Mr. Mrs. Miss): \_\_\_\_\_

Christian name(s): \_\_\_\_\_

Address: \_\_\_\_\_

All applications must state: This offer is not applicable to residents of The Republic of Ireland.



كتاب من الأصول

SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and mergers

Seagram of the U.S., the world's largest producer and distributor of distilled spirits and wines, is planning a £40m. over bid for Glenlivet Distillers following its purchase of a 50 per cent stake in Glenlivet from Courage, the Imperial Group Ltd. This offer came on Wednesday evening following a... The struggle for control of Crane Fruehauf remains... Mr. E. Slater and Mr. A. J. Tilley, two executive directors... Mr. Oliver Jessel has withdrawn his opposition to the 25p share bid by Maurice James for Gen. Doland.

Table with columns: Company, Value of bid per share, Market price, Value before bid, Final price, Bidder, Date. Lists companies like Assam Fruit Tea, British Indian Tea, British Industrial, etc.

PRELIMINARY RESULTS

Table with columns: Company, Year, Pre-tax profit, Earnings, Dividends. Lists companies like Acorn Secs., Barten Transport, Bellway, etc.

INTERIM STATEMENTS

Table with columns: Company, Half-year to, Pre-tax profit, Interim dividends. Lists companies like Alida Packaging, Beecham, J. Hillam, etc.

Shown net deficit is 165,550

After extraordinary items, the loss was 3,72p (15.69p) basic and 2,76p (12.89p) fully diluted. Again no dividend is to be paid. The directors have continued their policy of disposing of both investment properties and development sites in order to reduce borrowings and they remain hopeful that a balance between income and expenditure will be achieved as planned.

UCM expects progress at midway

JUDGING BY management returns at United City Merchants, Mr. E. C. Sosnow, the chairman, foresees further progress for the current half year and hopes that the company will continue to trade successfully and achieve still higher records. Though 92 per cent of profits emanate either from trading and manufacturing overseas or from commissions and service fees paid by foreign principals, the company has consistently applied for exemption from dividend restrictions.

LAWSON HIGH YIELD FUND advertisement. Features '10.4%' return and 'PAID QUARTERLY'. Includes a small chart showing growth of units since launch in June 1974.

EMAP spells out expansion benefits advertisement. Discusses the company's expansion into new markets and the benefits of its new products and services.

Fashion and General Improves advertisement. Discusses the company's financial performance and its plans for the future, including a new magazine and improved services.

BELHAVEN BREWERY advertisement. Announces the reorganisation of CCH Investments Limited and the new name of the brewery, highlighting its traditional beer production.

ARBUTHNOT SPECIAL 3 IN 1 OFFER advertisement. Promotes a high regular income investment with 6 dividends a year and a 10.7% return. Includes details about the offer and contact information.





WALL STREET + OVERSEAS MARKETS + RISING PRICES

Mild rally on Mid-East hopes

BY OUR WALL STREET CORRESPONDENT

A BETTER TENDENCY developed on Wall Street to-day, when support was traced to hopes Egypt and Israel would contribute to a peaceful settlement of the Middle East conflict.

NEW YORK, Nov. 18.

Stocks on lower nine months earnings, in GNP no longer appears as unattainable as previously believed, analyst said.

FRIDAY'S ACTIVE STOCKS
Carbondum 252.100 251.000
Samba's Petrol 282.900 281.000
Columbia Pictures 288.200 287.000

OTHER MARKETS
Canada firm
Canadian Stock Markets also turned firm in fairly active trading yesterday.

Indices

NEW YORK-DOW JONES
Nov. 19 18 17 16 15 14 13 12 11 10 9 8 7 6 5 4 3 2 1

Y. S. & ALL COMMON

Nov. 19 18 17 16 15 14 13 12 11 10 9 8 7 6 5 4 3 2 1

STANDARD AND POORS

Nov. 19 18 17 16 15 14 13 12 11 10 9 8 7 6 5 4 3 2 1

RACING BY DOMINIC WIGAN

Bunker Hill can score at Ascot
THE HIGH class young chaser room after passing the post a length to the good.

F.T. CROSSWORD PUZZLE No. 3,523

A prize of £3 will be given to each of the senders of the first three correct solutions opened.

CROSSWORD PUZZLE grid with clues: 1 Impudence to cling to beauty (4, 5)

SOLUTION TO PUZZLE No. 3,522

SOLUTION TO PUZZLE No. 3,522
ACROSS: 1 Impudence to cling to beauty (4, 5) - BANTAN

OVERSEAS SHARE INFORMATION

NEW YORK Stock Nov. 17 Nov. 18 Nov. 19
Nov. 17 Nov. 18 Nov. 19
Nov. 17 Nov. 18 Nov. 19

GERMANY PARIS AUSTRALIA TOKYO

Nov. 18 Price + or - Div. Yld. %
Nov. 18 Price + or - Div. Yld. %
Nov. 18 Price + or - Div. Yld. %

BRUSSELS/LUXEMBOURG STOCKHOLM

Nov. 18 Price + or - Div. Yld. %
Nov. 18 Price + or - Div. Yld. %
Nov. 18 Price + or - Div. Yld. %

SWITZERLAND COPENHAGEN

Nov. 18 Price + or - Div. Yld. %
Nov. 18 Price + or - Div. Yld. %
Nov. 18 Price + or - Div. Yld. %

ACROSS

- 1 Impudence to cling to beauty (4, 5)
5 Bankrupt the French device for projecting silk (6)
10 Incumbent on six to acquire vehicle (5)

DOWN

- 1 Quick job for person (6)
2 Rice up-any change is of money (9)
3 Find book to increase sound (4, 2, 3, 6)

SOLUTION AND WINNERS OF PUZZLE No. 3,517

Following are the winners of last Saturday's prize puzzle: Mr. H. Corlett, Stronville Laxey, Isle of Man.

SPAIN

Nov. 18 Price + or - Div. Yld. %
Nov. 18 Price + or - Div. Yld. %
Nov. 18 Price + or - Div. Yld. %

BRAZIL

Nov. 18 Price + or - Div. Yld. %
Nov. 18 Price + or - Div. Yld. %
Nov. 18 Price + or - Div. Yld. %

COMMERCIAL NEWS

Army officer sought 1/2% commission, court told

OFFICER arrested... court told... commission... sought 1/2%... court told...

Yards on Thames will shed 370 men

Yards on Thames will shed 370 men... announced... 370 men... Thames...

Covent Garden museum in likely to go ahead

Covent Garden museum in likely to go ahead... Covent Garden... museum... Covent...

Surveyors attack Labour plan

Surveyors attack Labour plan... Labour Party... surveyors... Labour...

Turnaround to profit at American Motors

Turnaround to profit at American Motors... American Motors... profit... turnaround...

Higher debt increases losses at Montedison

Higher debt increases losses at Montedison... Montedison... debt... losses...

First Viking commodity trusts

First Viking commodity trusts... offer 39.6... bid 37.6... offer 97.0... bid 92.0...

GLC gives 3,000 squatters right to stay

GLC gives 3,000 squatters right to stay... GLC... squatters... right to stay...

Utico profits fall 26%

Utico profits fall 26%... Utico... profits... fall 26%...

Dow Chemical plant sale

Dow Chemical plant sale... Dow Chemical... plant sale...

FINANCIAL EXPERTS REASSESS COMMODITIES - HAVE YOU?

FINANCIAL EXPERTS REASSESS COMMODITIES - HAVE YOU?... reprint of an article... Grosvenor Commodity Investments Ltd...

Wardgate Commodity Fund

Wardgate Commodity Fund... 31st October 1977... 47.74-48.14... WCF...

Rey's tax-residence

Rey's tax-residence... Rey... tax-residence... Zurich...

U.S. Markets

U.S. Markets... Cacao... Wheat... Soyabean... Wool... Sugar... Grains... Cotton... Meat/Vegetables... Dow Jones... Moody's... Reuters... Financial Times... Russia Buys U.S. Wheat...

COMMODITIES/Review of the week

Cocoa supply squeeze eases

Cocoa supply squeeze eases... cocoa... supply... squeeze... eases... market... prices... recovery...

MARKET REPORTS

MARKET REPORTS... BASE METALS... COPPER... SILVER... COCA... RUBBER... SOYABEAN MEAL... COFFEE... SUGAR... GRAINS... COTTON... WHEAT... BARLEY... MEAT/VEGETABLES... FINANCIAL TIMES... REUTERS... DOW JONES... MOODY'S... RUSSIA BUYS U.S. WHEAT...

U.S. Markets

U.S. Markets... Cacao... Wheat... Soyabean... Wool... Sugar... Grains... Cotton... Meat/Vegetables... Dow Jones... Moody's... Reuters... Financial Times... Russia Buys U.S. Wheat...

WHEAT PRICE CHANGES

Table with columns for Wheat, Price, Change, etc. Includes sub-tables for Wheat, Barley, and other grains.

COFFEE PRICE CHANGES

Table with columns for Coffee, Price, Change, etc. Includes sub-tables for Arabica and Robusta coffee.

FINANCIAL TIMES

Table with columns for Dow Jones, Reuters, Moody's, etc. Includes sub-tables for Dow Jones, Reuters, Moody's, and other financial indices.

Pay policy is road to still weaker economy - Joseph

BY RUPERT CORNWELL, LOBBY STAFF

THE GOVERNMENT'S pay policy, with its insistence on identical increases for all, regardless of productivity, profitability and manning levels, was attacked last night by Sir Keith Joseph as opening the road to a still weaker economy.

"It is absurd to hold down pay for an undermanned and underpaid essential service such as the police, while countenancing pay claims at a normal, let alone above it, from loss-making, overmanned and therefore, in aggregate, overpaid nationalised industries that should be cutting not increasing their costs."

State oil search in Celtic Sea urged

THE GOVERNMENT is being urged to funnel some of its North Sea oil revenue into a programme to find out precisely what hydrocarbon reserves exist in the U.K. sector of the Celtic Sea.

The uncertainty over the potentially commercially exploitable deposits of oil and gas in the Celtic Sea demands that the Government should intervene, and commission and fund a representative sample of wells to be sunk in blocks throughout the British area.

Board post at Baker Perkins

Mr. A. L. Canham has been appointed a director of BAKER PERKINS LIMITED. He continues to be responsible for marketing and sales of the bakery machinery division, which has been deputy divisional manager since 1971.

Mr. George E. Inman has been appointed a director of SHOWERINGS VINE PRODUCTS AND WHITEWAYS. He is deputy chairman of Britvic and chief executive of the SVPV soft drinks companies.

Mr. Douglas Wilson has become chairman of WILSON (BRIDGING) and has been succeeded as managing director by Mr. Stephen Upton. Mr. Martin Myers and Mr. M. C. Wilson remain on the main Board.

Mr. Kenneth Walker has been appointed to the Board of KOBE INTERNATIONAL as financial director. He was previously financial director of Mono Containers.

Mr. P. J. Meidrum has been appointed director of BARTON AND SONS and retains his position as managing director of Barton Abrasives and John Lawrie and Co. (Aberdeen).

Mr. Scott Meyers has been appointed a director of INTERMED (Thomas Thling group). Mr. Ralph O. Sanderson has become chief executive officer of Inter-medico Inc., the group's U.S. subsidiary.

Mr. J. C. Daning has been appointed a member of the COUNTRYSIDE COMMISSION (DOE) for three years.

Five new members of the ADVISORY COUNCIL ON ENERGY CONSERVATION have been appointed by the Secretary for Energy. They are Sir Geoffrey Daniel, vice-chairman of the University College of Wales; Mr. R. Kay, works director at Alan Booth Sheet; Miss Betty Lockwood, chairman of the Equal Opportunities Commission; Mr. J. R. S. Morris, group technical director of Courtauld's; and Mr. L. V. D. Tindale, deputy chairman of Finance for Industry.

GLEST KEEN AND NETTLE-FOLDS states that by operation of the retirement provisions of its articles, Mr. Douglas Bruce-Gardner will relinquish his executive appointments with the group from December 31 when he will also retire as deputy chairman. He

will remain on the Board as a non-executive director.

UP 14.9% IN 5 DAYS UP 42.4% IN 4 WEEKS Which would you have picked? Subscribers to Private Investor's Letter who bought LADBROKE ordinary shares when the market opened on 2nd September and took their profits at the closing price on 8th September showed 14.9% profit, ex-dividend, in little more than a weekend. Those who bought DECCA, tipped a month earlier, at the price recommended, cleared 42.4% by selling four weeks later.

BRITISH FUNDS (381)

Table listing various British funds with their respective values and changes.

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This week's SE dealings

4.307 Wednesday, November 16 4.272 Monday, November 14 4.233 Tuesday, November 15 5.622 Friday, November 11 5.623

The list below records all yesterday's markings and also the latest markings during the week of any share not dealt in yesterday. The latter can be distinguished by the date (in parentheses).

The number of dealings marked in each section follows the name of the security. The figures in brackets are the number of shares dealt in and the date (in parentheses).

The list below gives the prices at which bargains were taken by members of the Stock Exchange during the week. Bargains are marked with a star.

\*Bargains at Special Prices: A Bargains with mark of between non-members. B Bargains with mark of between members. C Bargains with mark of between members and non-members. D Bargains with mark of between members and non-members. E Bargains with mark of between members and non-members. F Bargains with mark of between members and non-members. G Bargains with mark of between members and non-members. H Bargains with mark of between members and non-members. I Bargains with mark of between members and non-members. J Bargains with mark of between members and non-members. K Bargains with mark of between members and non-members. L Bargains with mark of between members and non-members. M Bargains with mark of between members and non-members. N Bargains with mark of between members and non-members. O Bargains with mark of between members and non-members. P Bargains with mark of between members and non-members. Q Bargains with mark of between members and non-members. R Bargains with mark of between members and non-members. S Bargains with mark of between members and non-members. T Bargains with mark of between members and non-members. U Bargains with mark of between members and non-members. V Bargains with mark of between members and non-members. W Bargains with mark of between members and non-members. X Bargains with mark of between members and non-members. Y Bargains with mark of between members and non-members. Z Bargains with mark of between members and non-members.

REGISTERS AND INCORPORATED STOCKS

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Council wins appeal over icy road injury

HIGHWAY AUTHORITIES are under no legal duty to clear all roads of footpaths of snow or ice, it was held by the High Court yesterday when it ruled in favour of the Kent County Council.

English is top 'O' Level choice

ENGLISH LANGUAGE is the most popular GCE 'O' Level subject, Miss Margaret Jackson, Education Under-Secretary, said in a statement written reply yesterday.

Avon Bridge restrictions

RESTRICTIONS ARE being imposed on the 25m Avon bridge which carries the A15 motorway over the River Avon near Bristol, while repairs are carried out to a cracked concrete support on an approach road to the bridge.

Comfort for the troops

MORE THAN 1500,000 is being spent on improving the living conditions of troops serving in Northern Ireland.

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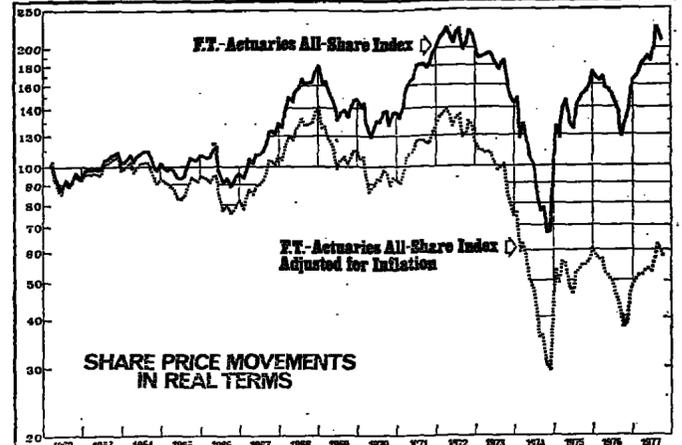
STOCK EXCHANGE REPORT

Prices above worst on bear closing after quiet trade Share index down 0.5 at 480.5 for week's loss of 20.9

Account Dealing Dates... Encouraging trend helped steady the market and prices gradually picked up to close only 1/4 down on balance. Dealings started yesterday in the new long tap, Treasury 10 per cent. 1882, which opened and closed at the issue price of 95 1/2. It was a similar story in the shorts, but the rally here was much less noticeable than in the longs, with prices still showing closing falls extending 1/2 after having been marked down initially by Treasury raising to 1. Trade throughout the whole sector was at a fairly low ebb. Corporations were inclined easier in places but in recently issued Fixed Interest stocks, Industrial and Commercial Finance 101 per cent. 1088 were favoured at 301, up 1/2. Following some overnight firings, the investment dollar premium started the day at 97 1/2 per cent. Subsequently a small two-way trade developed in which buyers predominated and the rate closed at 99 1/2 per cent. for a net gain of a point. Yesterday's S.E. conversion factor was 0.7176 (0.724).

Unilever dull again... Properties easier... Oils made moderate progress after a quiet day's trade. British Petroleum improved 4 to 506p after 910p, while the partly-paid hardened 3 to 378p, after 378p. Shell, down 12 on Thursday, closed at 365p. The strength of the quarter figures, regained 3 at 565p, while Royal Dutch, which was influenced by the former dollar premium, rose 1 to 255 1/2. Edgewise, renewed speculative demand lifted Oil Exploration 2 more to 304p, while Press continued to hold at 245p. Lloyds Bank rose 7 to 415p, but lower half profits left Century Oil's 2 off at 32p.

Composite Insurances remained dispirited by the events of the week and continued to lose ground in this trading. Commercial Union's 573.8m. rights issue call on Monday started the rise in FT-quoted equities, by three-to-five for the fourth successive day, and the Actuaries All-Share index eased a shade more for its part on the week to 208.07. The gloomy outlook for profit margins left the Food Retailing sector down 10 per cent. on the week, with a similar reaction in the Commercial Union's 573.8m. rights issue arising from the firemen's strike.



SHARE PRICE MOVEMENTS IN REAL TERMS

Table titled 'FINANCIAL TIMES STOCK INDICES' showing various indices like Government Sec., Fixed Interest, Industrial Ordinary, Gold Mines, etc., with columns for Nov. 18, 17, 16, 15, 14, 13, 12, 11.

Table titled 'HIGHS AND LOWS' showing price ranges for various stocks like Govt. Sec., Fixed Int., Ind. Ord., Gold Mines, etc., with columns for High, Low, and S.E. ACTN.

Properties easier... Oils made moderate progress after a quiet day's trade. British Petroleum improved 4 to 506p after 910p, while the partly-paid hardened 3 to 378p, after 378p. Shell, down 12 on Thursday, closed at 365p.

Table titled 'RISES AND FALLS' showing percentage changes for various sectors like British Funds, Corporate, Financial and Property, etc.

Table titled 'NEW HIGHS AND LOWS FOR 1977' listing various stocks and their performance throughout the year.

Table titled 'ACTIVE STOCKS YESTERDAY' listing various stocks and their closing prices and changes.

Table titled 'ACTIVE STOCKS ON THE WEEK' listing various stocks and their weekly performance.

Table titled 'BASE LENDING RATES' listing various banks and their lending rates.

Table titled 'OPTIONS TRADED' listing various options and their trading details.

Table titled 'RECENT ISSUES' listing various recent stock issues.

Table titled 'FIXED INTEREST STOCKS' listing various fixed interest stocks.

Table titled 'RIGHTS OFFERS' listing various rights offers.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Act.

Large table titled 'FT-ACTUARIES SHARE INDICES' containing multiple sub-tables for EQUITY GROUPS, SUB-SECTIONS, and FIXED INTEREST PRICE INDICES.

Vertical advertisement on the right edge of the page, partially obscured and containing text like 'for this' and 'Premium Pol'.

AUTHORISED UNIT TRUSTS

OFFSHORE AND OVERSEAS FUNDS

Table of Authorised Unit Trusts listing various funds, their managers, and performance metrics.

Table of Offshore and Overseas Funds listing international investment options and their details.

INSURANCE BASE RATES

Table showing insurance base rates for Property Growth, Cannon Assurance, and other policies.

CLIVE INVESTMENTS LIMITED
Royal Exchange Ave. London EC3V 3JF. Tel. 01-283 1101

CORAL INDEX: Close 478.48
Index Limited 01351 3466. May Cocoa 1796-1895

APOLLO

Edited by Denis Sutton
The world's leading magazine of Arts and Antiques

Published monthly price £1.50. Annual Subscription £21.00 (incl. p&h)
rears Subscription £24.00 USA & Canada Air Assisted £48.00

Help for higher rate taxpayers

An especially attractive single premium policy from Tyndall
If you pay higher rate tax and/or the investment one purchase, investment income could be an embarrassment. This may exclude you from a large group of high income investments which you otherwise could prefer.

Tyndall Single Premium Policies

Tyndall Assurance Limited, 18 Canyone Road, Bristol BS9 7UA.
Send me details of your Single Premium Policy and the rate exchange plan.

INSURANCE, PROPERTY, BONDS

Large table listing various insurance, property, and bond products from multiple providers.

NOTES

Notes and disclaimers regarding the insurance and investment products listed.

PIMS The Personal Division of Management Services... SCHLESINGERS

FT SHARE INFORMATION SERVICE

HOTELS-Continued

Table of hotel shares including columns for High, Low, Stock, Price, Div, and Yld. Includes entries like Hotel de Ville, Hotel de Ville, etc.

AMERICANS-Continued

BUILDING INDUSTRY-Cont.

DRAPERY AND STORES-Cont.

ENGINEERING-Continued

BRITISH FUNDS

Shorts (Lives up to Five Years)

Table of British funds with columns for High, Low, Stock, Price, Div, and Yld. Includes entries like Treasury Stock, etc.

Five to Fifteen Years

Table of British funds with columns for High, Low, Stock, Price, Div, and Yld. Includes entries like Treasury Stock, etc.

Over Fifteen Years

Table of British funds with columns for High, Low, Stock, Price, Div, and Yld. Includes entries like Treasury Stock, etc.

Updated

Table of British funds with columns for High, Low, Stock, Price, Div, and Yld. Includes entries like Treasury Stock, etc.

INTERNATIONAL BANK

Table of international bank shares with columns for High, Low, Stock, Price, Div, and Yld.

CORPORATION LOANS

Table of corporation loans with columns for High, Low, Stock, Price, Div, and Yld. Includes entries like American Express, etc.

COMMONWEALTH & AFRICAN LOANS

Table of commonwealth and African loans with columns for High, Low, Stock, Price, Div, and Yld.

LOANS (Miscel.)

Table of miscellaneous loans with columns for High, Low, Stock, Price, Div, and Yld.

FORN BONDS & RAILS

Table of foreign bonds and rails with columns for High, Low, Stock, Price, Div, and Yld.

AMERICANS

Table of American shares with columns for High, Low, Stock, Price, Div, and Yld. Includes entries like American Express, etc.

CANADIANS

Table of Canadian shares with columns for High, Low, Stock, Price, Div, and Yld. Includes entries like Canadian National, etc.

BANKS AND HIRE PURCHASE

Table of banks and hire purchase with columns for High, Low, Stock, Price, Div, and Yld. Includes entries like Bank of Montreal, etc.

Hire Purchase, etc.

Table of hire purchase and other services with columns for High, Low, Stock, Price, Div, and Yld.

BEERS, WINES AND SPIRITS

Table of beer, wine, and spirit shares with columns for High, Low, Stock, Price, Div, and Yld.

CINEMAS, THEATRES AND TV

Table of cinema, theatre, and TV shares with columns for High, Low, Stock, Price, Div, and Yld.

DRAPERY AND STORES

Table of drapery and store shares with columns for High, Low, Stock, Price, Div, and Yld.

BUILDING INDUSTRY, TIMBER AND ROADS

Table of building, timber, and road shares with columns for High, Low, Stock, Price, Div, and Yld.

CHEMICALS, PLASTICS

Table of chemical and plastic shares with columns for High, Low, Stock, Price, Div, and Yld.

ENGINEERING MACHINE TOOLS

Table of engineering and machine tool shares with columns for High, Low, Stock, Price, Div, and Yld.

FOOD, GROCERIES, ETC.

Table of food, grocery, and other shares with columns for High, Low, Stock, Price, Div, and Yld.

HOTELS AND CATERERS

Table of hotel and caterer shares with columns for High, Low, Stock, Price, Div, and Yld.

ELECTRICAL AND RADIO

Table of electrical and radio shares with columns for High, Low, Stock, Price, Div, and Yld.

ENGINEERING MACHINE TOOLS

Table of engineering and machine tool shares with columns for High, Low, Stock, Price, Div, and Yld.

FOOD, GROCERIES, ETC.

Table of food, grocery, and other shares with columns for High, Low, Stock, Price, Div, and Yld.

HOTELS AND CATERERS

Table of hotel and caterer shares with columns for High, Low, Stock, Price, Div, and Yld.

INDUSTRIALS (Miscel.)

Large table of miscellaneous industrial shares with columns for High, Low, Stock, Price, Div, and Yld. Includes entries like British Petroleum, etc.





MAN OF THE WEEK

An Arab visit to the Jews

BY A. McDERMOTT

PRESIDENT Mohammed Anwar Sadat of Egypt, who arrives in Israel today on a visit unprecedented for any Arab leader...



President Sadat Risking the ultimate

Today it contains those who see his spectacular visit to Jerusalem as a way to reach peace and thus ensure the continuance of policies which have made Egypt in many ways a freer place than in Nasser's days.

Sadat shares with Menahem Begin, Israel's Prime Minister the credit of having deeply and successfully evoked popular response from his people through his own personal piety.

His path to power has been unobtrusive, but always close to the centre of activities and in view of what was going on. He rose to be a colonel in the army, and was a member of Nasser's free officers, who overthrew King Farouk in 1952.

Since then, he has gradually dismantled the single party system, reinforced under Nasser, and introduced a form of Islam in its more conservative form, and abandoned an alliance with the Soviet Union in favour of dependence on the United States.

He was then in London to try to set up a deal with the BBC which would involve his staying in the UK for 63 days. This might have been the cause of tax problems had he not been a U.K. resident.

Shore predicts rate rises of under 10%

BY DAVID CHURCHILL

RATE INCREASES of below 10 per cent next spring were forecast yesterday by Mr. Peter Shore, Environment Secretary...

The aim of the grant is to bring stability to local authorities' finances in contrast to the sharp cuts of the past two years.

Mr. Shore said that he hoped the "fair and not unfavourable" grant settlement would enable domestic rate rises to be within single figures.

Industrial rates, which tend to be higher than domestic rates, are likely to rise by slightly less than domestic rates.

The Government has decided to maintain the grant towards relevant expenditure at 1977-78's level per cent, after the 4.5 per cent cut in 1976-77.

It has also decided to keep to the existing formula for distributing the grant which tends to favour the large metropolitan areas—especially London—over the counties.

But Mr. Shore was determined yesterday that local authorities' costs would be about 9 per cent higher in the next financial year, including a 10 per cent wage settlement for over 2m. employees.

The associations were given a firm warning to settle 10 per cent rises with the unions or else they would be forced to fund any extra deal from their own resources.

The total rate support grant of £7,644bn. announced yesterday also includes a £275m. Transport Supplementary Grant.

In Scotland, Mr. Bruce Millan, Scottish Secretary, announced that the proportion of the total rateable value to be borne by the domestic ratepayer had been reduced from 47.9 per cent in 1977-78 to 39 per cent in 1978-79.

Mr. Michael Heseltine, Tory front bench spokesman, last night accused Mr. Shore of trying to win the electoral support of London at the expense of ratepayers in the rest of the country.

Mr. Lynch, in his letter of resignation, denied acting improperly at any time.

The Prime Minister announced that Mr. John Howard, whom he appointed Special Minister in charge of negotiations and trade with the EEC less than six months ago, will be the new Treasurer.

Mr. Lynch's departure leaves the Liberal front bench looking dangerously thin only three weeks before an election expected to be fought largely on economic issues.

Mr. Lynch also featured prominently in the Party's prepared television and other propaganda material, which will now have to be quickly revised.

Mr. Fraser is due to open a Liberal Party campaign on Monday. The Liberal-Country Party coalition won a landslide victory at the last general elections in December, 1975, but Liberal support has since waned.

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Yen still strong despite controls

BY CHARLES SMITH

TOKYO, Nov. 18.

STRINGENT CONTROLS on short-term money movements introduced yesterday by the Bank of Japan seemed to be having almost no effect today in damping currency speculation on the Tokyo foreign exchange market.

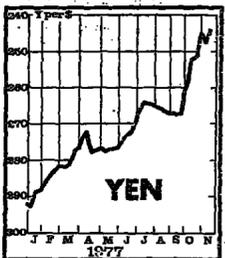
The yen, though initially somewhat weaker, closed the day well up on its Thursday night closing parity with the inter-bank spot rate at \$1 = ¥243.35.

Turnover on the spot market, at \$516m., was substantially higher than the day before (\$345m.).

The forward market was extremely active with \$141m. changing hands and the rate rising as high as \$1 = ¥238.50 for yen to be delivered in six months.

The Bank of Japan did its best to support the dollar on the spot market with estimated purchases of \$200m. But its efforts probably did little more than slow the rate of appreciation.

The yen's continued strength reflects a growing conviction among Japanese businessmen that Japan is nowhere near achieving balance of payments equilibrium and is likely to move even further into surplus during the next few months.



Yen rate in London

Government efforts to correct the imbalance by artificially boosting imports have produced almost no result.

An area in which the Japanese Government seems to have failed miserably to date is the liberalisation of quotas on some types of processed foods and agricultural products for which a strong potential demand exists in Japan.

Mr. Fukuda, the Prime Minister, seems to be strongly in favour of liberalising such quotas but has failed to impose his views on the protectionist Ministry of Agriculture which reflects the views of the farm lobby.

There is also growing scepticism about the possibility that imports might be naturally boosted to any significant extent next year by the recovery of Japan's domestic economy.

Japanese officials declined to cite a "firm date" for the elimination of the country's current account surplus today during talks with American trade officials.

Instead, Japan is starting to argue that it may be wrong to focus exclusively on the visible trade and current account balances.

What is being suggested is that the current account surplus problem may be insoluble for the time being and that Japan should concentrate on stimulating capital exports to reduce its overall balance of payments surplus.

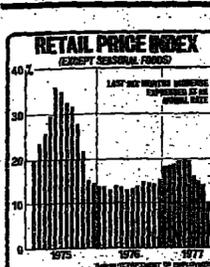
Capital exports could take the form of an enlarged foreign aid programme and/or increased private investment by Japanese companies in foreign countries.

Scottish trusts repel invaders

THE LEX COLUMN

The stock market has seen another dull week with little real business transacted. The FT 30 Share Index ended 20.9 points down, almost reversing the rise in the previous week...

Index fell 0.5 to 480.5



RETAIL PRICE INDEX (CPI) OVER PERIODS YEAR

Compared with the position in August when the market was reaching its peak and the average number of daily bargains marked exceeded \$,000, the average last week was only about 4,500.

The main factors behind the general depression are the worries about the implications for the inflation rate of money supply growth, despite yesterday's favourable retail price index, as well as further evidence of pressure on company profits.

Institutional investors are also bracing themselves for big cash calls on their partly-paid gilt-edged stock and BP shares over the next few weeks, as well as the ICI call in January.

The two weakest individual sectors have been composite insurance, thanks to Commercial Union's £74m. rights issue and the firmen's strike, and food retailing, after Sainsbury's and Tesco's warnings of further pressure on margins.

Edinburgh and Dundee's not just coincidence managers Baillie Gifford have been on a tour of the London institutions this week trying to persuade them to turn down the offer. The argument is not just that the terms do not reflect the full going concern value of the trust, and would leave holders worse off after paying the costs of reinvestment.

The idea is that the trusts are worth a premium since they represent portfolios and market positions painstakingly built up over the years, the pension funds should pay for the privilege of finding (as Edinburgh and Dundee puts it) an "easier and cheaper means of investing their ever-increasing cash flows."

Moreover Scottish nationalism is not far below the surface. The Scottish financial community is naturally concerned at the potential transfer of large chunks of investment management business to London although the Coal Board funds have guaranteed to safeguard the position of the Scottish managers in what has been dubbed a "jobs for the boys" clause.

It is not clear is whether the trusts are defending themselves simply with the aim of extracting better terms, which is an entirely normal response, or whether they are going to try to rely on the loyalty of their small shareholders to price themselves out of the reach of all predators.

The argument that the ready-made portfolios have a premium value because of their long track record is not a year to 2 per cent a

Trust bids. Up in the Highlands glens, and even in the lowlands around Charlotte Square, resistance is growing to the attempted take-over of two Scottish-managed investment trusts by London-based nationalised industry pension funds.

Yesterday Edinburgh and Dundee investment came out with its formal rejection of the terms—worth around 167p a share cash—from the British Rail Pension Funds. With the shares quoted at no more than 148p last night it seems that the market is increasingly coming to doubt the possibility of these bids being successful.

Government efforts to correct the imbalance by artificially boosting imports have produced almost no result.

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Mr. Fukuda, the Prime Minister, seems to be strongly in favour of liberalising such quotas but has failed to impose his views on the protectionist Ministry of Agriculture which reflects the views of the farm lobby.

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Capital exports could take the form of an enlarged foreign aid programme and/or increased private investment by Japanese companies in foreign countries.

Canberra coalition at risk as Treasurer resigns

BY ANTHONY ROBINSON

THE resignation yesterday of Mr. Lynch, the Australian Federal Treasurer, threatens severely to damage the electoral chances of the ruling Liberal-Country Party coalition at the General Election due in three weeks.

Mr. Malcolm Fraser, Prime Minister, accepted Mr. Lynch's letter of resignation after an emergency Cabinet meeting called to consider the situation arising from allegations made against Mr. Lynch in the Victoria State Parliament this week.

A Labor member Mr. William Landy, accused the Lynch family—Grosvener Nominees Victoria Pty.—of having made a quick \$100,000 profit by buying land on favoured terms and re-selling shortly afterwards.

The money was either a gift, a bribe, or for services expected in the future, Mr. Landy said in Parliament.

Mr. Lynch, in his letter of resignation, denied acting improperly at any time.

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Mr. Lynch's departure leaves the Liberal front bench looking dangerously thin only three weeks before an election expected to be fought largely on economic issues.

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Enterprise Board in proposed £8m. cash bid for Allied

BY MARGARET REID

THE NATIONAL Enterprise Board and three institutional investors are considering launching a cash take-over bid worth £8m. for Allied Investments, the nursing homes and medical supplies concern which has a growing overseas business.

Allied Investments, whose managing director is Dr. Michael Sinclair and whose chairman-designate is Sir Richard Marsh, former chairman of British Rail, has been expanding rapidly and is known to be in need of further capital.

It has had problems in collecting debts totalling about £1m. in connection with its conduct of a hospital at Sharjah in the United Arab Emirates and its recent accounts were subject to some qualifications by the auditors.

Earlier this year, a 53 per cent stake in its then subsidiary, United Medical, was bought for £250,000 by the NEB, which is also putting up £13m. for that

venture, seeing it as important to Britain's export role in the competitive medical services market.

An announcement from Allied last night, some time after the stock markets closed, said that discussions were taking place which might lead to an offer for the company.

At times in the past there has been some evidence of interest in Allied from overseas competitors in the medical supplies and management field. U.S. groups are active in the industry and include such large concerns as Hospital Corporation of America and Whitaker Corporation.

Allied's annual meeting is on Monday morning and while no further news is likely by then, it is hoped that a further statement on development will be made not long after that. Sir Richard is due to take over as chairman after Monday's meeting.

Should a bid not be made, it is thought that the four parties might put up the capital needed in another way, such as by backing a substantial rights issue.

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David Frost defends tax case

By James Bartholomew

MR. DAVID FROST, the television personality and businessman, is to be the defendant in a case in the High Court on Monday brought by the Inland Revenue.

The case is listed as Newstead v. David Partridge Frost. Mr. Newstead is an inspector of taxes.

Although the case has only now come to light with its appearance at the High Court, it is believed to have dragged on for some time already. The dispute has previously been heard by the Appeal Commissioners who apparently decided in favour of Mr. Frost.

In May this year, Mr. Frost emphasised that he was still a U.K. resident for tax purposes, notwithstanding his long-term suite in the Plaza Hotel, New York.

He was then in London to try to set up a deal with the BBC which would involve his staying in the UK for 63 days. This might have been the cause of tax problems had he not been a U.K. resident.

Continued from Page 1

Price inflation

Irrespective of what happens to earnings because of the usual time lags.

However, if the rate of increase in earnings accelerates, companies may take precautionary action and put up prices quickly to avoid a squeeze on profit margins.

This might be offset by any further rise in sterling, so it is difficult to project the exact path of the 12-month rate of price inflation if earnings rise by 15 per cent in the present pay round, as many economists believe is likely. There would probably be a return to double figure price inflation again during the autumn of next year, however.

In the short-term there are few price rises in the pipeline. The most important are provincial bus fares and bread prices.

The rise in the index in the last month reflected increases in prices of solid fuels and cars and small increases spread over a wide range of household goods, clothing and footwear.

This was partly offset by a reduction in the level of mortgage interest payments

Retail Price Index



The seasonal food index is now at its lowest level since August last year. The very favourable trend in these prices this year has reduced the previous sharp rate of increase in food prices generally. Over the last year the food price index has risen by 13.6 per cent.

Sadat

atmosphere in the Middle East—may increase the need for Israel to give the Egyptian leader something tangible in return for the immense political risk he is now taking in going to Jerusalem.

Mr. Carter has already pressed both sides to take a conciliatory attitude to each other. He called Mr. Begin the Israeli Prime Minister, on the telephone yesterday urging him to make concessions to the Egyptian leader.

Weather

U.K. TODAY SHOWERS or longer periods of rain. Snow in Scotland, N. Ireland.

London, S. Wales, S.E., Cent. S., S.W. England, Channel Is. Cloudy, outbreaks of rain, perhaps heavy to-night. Max. 8C (46F).

E. Anglia, Midlands, E. Cent., N. England Cloudy, occasional rain, heavy at times. Max. 7C (45F).

N. Wales, N.W. N.E. England, N. of Man Heavy rain clearing later, then showers. Max. 7C (45F).

Lakes, N. Ireland, Borders, Edinburgh, Dundee, Glasgow, S.W. Scotland Heavy rain clearing, wintery showers later. Max. 6C (43F).

Rest of Scotland Heavy squally showers turning in snow. Max. 6C (43F).

Outlook: Very cold; wintery showers.

BUSINESS CENTRES

Table with columns for City, Midday, and 10:30 AM. Includes Amsterdam, Athens, Barcelona, Beirut, Bonn, Brno, Bucharest, Cebu, Copenhagen, Frankfurt, Geneva, Hong Kong, Istanbul, Johannesburg, Kuala Lumpur, London, Lyons, Madrid, Manila, Mexico City, Milan, Moscow, New York, Ottawa, Paris, Rome, Seoul, Singapore, Stockholm, Sydney, Taipei, Toronto, Warsaw, Wellington, Zurich.

HOLIDAY RESORTS

Table with columns for City, Midday, and 10:30 AM. Includes Athens, Barcelona, Beirut, Bonn, Brno, Bucharest, Cebu, Copenhagen, Frankfurt, Geneva, Hong Kong, Istanbul, Johannesburg, Kuala Lumpur, London, Lyons, Madrid, Manila, Mexico City, Milan, Moscow, New York, Ottawa, Paris, Rome, Seoul, Singapore, Stockholm, Sydney, Taipei, Toronto, Warsaw, Wellington, Zurich.

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